

## **Court Approves Closing of MF Global Inc. Estate Liquidation Proceeding Ends with Former Customers Receiving Full Recovery**

February 9, 2016 – New York, New York – Judge Martin Glenn of the U.S. Bankruptcy Court of the Southern District of New York today approved a motion brought by James W. Giddens, Trustee for the liquidation of MF Global Inc. (MFGI), to close the MFGI estate and end the liquidation proceeding.

The Trustee's work started on Halloween 2011 with revelations that more than \$1.5 billion of customer property was missing from MF Global Inc. Following extensive recovery efforts, the Trustee was able to make 100 percent distributions to former customer claimants and secured, administrative and priority general claimants, and a 95 percent distribution to all non-affiliate, non-subordinated, allowed general unsecured creditor claimants.

"What made this case somewhat unique is that many of the MF Global customers were farmers in the Midwest who used commodities future trading accounts as a way to hedge their crops," Judge Glenn said in the court hearing. The Judge added that the successful effort to recover customer assets meant the farmers "were able to make mortgage payments."

"For over four years, my team has steadfastly focused on our fiduciary obligation under the Securities Investor Protection Act to maximize returns to the customers and creditors of MF Global Inc.," Giddens said. "I am pleased to report that as the liquidation ends, customers and secured creditors are completely satisfied and unsecured creditors have received a near full recovery, an outcome that was unimaginable when the proceeding began with revelations of a massive segregation failure."

"This outcome could not have been achieved without the guidance, cooperation and assistance of Judge Martin Glenn and the Bankruptcy Court, the Securities Investor Protection Corporation, the Commodity Futures Trading Commission, several committees of the Senate and House of Representatives, regulators and other parties," Giddens said. "The end of the liquidation demonstrates the effectiveness of the Securities Investor Protection Act and the Bankruptcy Courts at handling even unprecedented failures of regulated broker-dealers and commodities firms."

The results achieved do not diminish the importance of the actual segregations failure that led to MFGI's collapse. Missing funds were recovered from entities to which they were improperly transferred only through extensive litigation and even today not all such amounts have been recovered. Claims against former officers, directors and other employees of MF Global, including former MF Global CEO Jon Corzine, are ongoing in a Multidistrict Litigation.

Over the course of the liquidation proceeding, the Trustee distributed over \$8.1 billion to MFGI customers and creditors, including approximately:

- Customer claimants - \$6.9 billion to cover 100 percent of allowed claims
- Secured, administrative and priority general claimants - \$35 million to cover 100 percent of allowed claims
- Non-affiliate unsecured general claimants - \$219 million to cover 95 percent of allowed claims
- Affiliate unsecured general claimants - \$905 million on their allowed non-subordinated unsecured claims

The Trustee is represented by Hughes Hubbard & Reed LLP.

**The information in this statement does not apply to any other MF Global entity, including separate insolvency proceedings involving the parent company, MF Global Holdings Ltd.**

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