

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

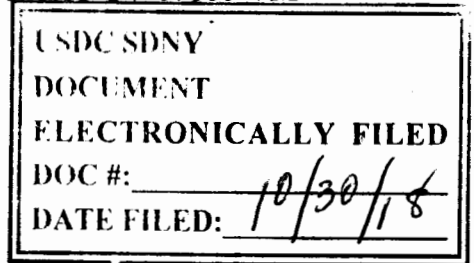
IN RE MF GLOBAL HOLDINGS
LIMITED SECURITIES LITIGATION

Civil Action No. 1:11-CV-07866-VM

THIS DOCUMENT RELATES TO:

All Securities Actions
(*DeAngelis v. Corzine*)

ECF CASE



ORDER APPROVING DISTRIBUTION PLAN

Lead Plaintiffs, on notice to Defendants’ counsel, moved this Court for an order approving the Distribution Plan for the Net Settlement Funds in the above-captioned class action (the “Action”). Having reviewed and considered all the materials and arguments submitted in support of the motion, including the Declaration of Tara Donohue in Support of Lead Plaintiffs’ Motion for Approval of Distribution Plan (the “Donohue Declaration”) and the Memorandum in Support of Lead Plaintiffs’ Motion for Approval of Distribution Plan:

IT IS THIS 30th day of October, 2018 HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

1. This Order incorporates by reference the definitions in the Stipulation and Agreement of Settlement with Certain Underwriter Defendants dated as of November 25, 2014 (ECF No. 801-1), the Stipulation and Agreement of Settlement with Defendant Commerz Markets LLC dated as of March 17, 2015 (ECF No. 875-1), the Stipulation and Agreement of Settlement with Defendant PricewaterhouseCoopers LLP dated as of April 3, 2015 (ECF No. 899-1), the Stipulation and Agreement of Settlement with Individual Defendants dated as of July 2, 2015 (ECF No. 969-1), and the Stipulation and Agreement of Settlement with Defendants Jefferies LLC, BMO Capital Markets Corp., Natixis Securities Americas LLC, Lebenthal & Co.,

LLC, and U.S. Bancorp Investments, Inc. dated as of March 9, 2016 (ECF No. 1092-1) (collectively, the “Stipulations”) and the Donohue Declaration, and all terms used in this Order shall have the same meanings as defined in the Stipulations or in the Donohue Declaration.

2. This Court has jurisdiction over the subject matter of the Action and over all parties to the Action, including all Settlement Class Members.

3. Lead Plaintiffs’ plan for distribution of the Net Settlement Funds to Authorized Claimants is **APPROVED**. Accordingly:

(a) The administrative recommendations of the Court-approved Claims Administrator, Garden City Group, LLC (“GCG”), to accept the Timely Eligible Claims stated in Exhibit C to the Donohue Declaration and the Late But Otherwise Eligible Claims stated in Exhibit D to the Donohue Declaration, are adopted;

(b) The Claims Administrator’s administrative recommendations to reject Wholly Ineligible Claims as stated in Exhibit E to the Donohue Declaration, including the Disputed Claims discussed in paragraphs 47-51 of the Donohue Declaration and Exhibit B to the Donohue Declaration, are adopted;

(c) GCG is directed to conduct an Initial Distribution of the Net Settlement Funds, after deducting all payments previously allowed and the payments approved by this Order, and after deducting the payment of any estimated taxes, the costs of preparing appropriate tax returns, and any escrow fees, as stated in paragraph 69(a) of the Donohue Declaration. Specifically, as stated in paragraph 69(a) of the Donohue declaration: (1) GCG will calculate award amounts for all Authorized Claimants for each of the Net Settlement Funds as if the entirety of the Net Settlement Funds were to be distributed now. In accordance with the Court-approved Plan of Allocation, GCG will calculate each Authorized Claimant’s *pro rata* share of

each Net Settlement Fund as stated in subparagraph 69(a)(1) of the Donohue Declaration; (2) GCG will, in accordance with the terms of the Court-approved Plan of Allocation, calculate the total amount each Authorized Claimant would recover in accordance with the calculations stated in subparagraph (c)(1) above and then it will eliminate from the distribution any Authorized Claimant whose total *pro rata* share of the Net Settlement Funds as calculated under subparagraph (c)(1) above is less than \$20.00. These Claimants will not receive any payment from the Net Settlement Funds and will be so notified by GCG; (3) After eliminating Claimants who would have received less than \$20.00, GCG will calculate the *pro rata* shares of the Net Settlement Funds for Authorized Claimants who would have received \$20.00 or more in accordance with the calculations described in subparagraph (c)(1) above (“Distribution Amount”); (4) Authorized Claimants whose Distribution Amount calculates to less than \$100.00 under subparagraph (c)(3) above will be paid their full Distribution Amount in the Initial Distribution (“Claims Paid in Full”). These Authorized Claimants will get no additional funds in subsequent distributions; (5) After deducting the payments to the Claims Paid in Full, 90% of the remaining balance of each of the Net Settlement Funds will be distributed *pro rata* to Authorized Claimants whose Distribution Amount calculates to \$100.00 or more under subparagraph (c)(3) above. The remaining 10% of the balance of each of the Net Settlement Funds will be held in reserve (the “Reserve”) to address any contingencies that may arise. To the extent the Reserve is not depleted, the remainder will be distributed in the “Second Distribution” described in subparagraph (f) below;

(d) In order to encourage Authorized Claimants to promptly cash their checks, all Distribution checks will bear the following notation: “CASH PROMPTLY. VOID AND SUBJECT TO REDISTRIBUTION IF NOT CASHED BY [90 DAYS AFTER ISSUE DATE].”

Co-Lead Counsel and GCG are authorized to take appropriate action to locate and contact any Authorized Claimant who has not cashed his, her, or its check within said time as detailed in subparagraph 69(a)(6) footnote 24 of the Donohue Declaration;

(e) Authorized Claimants who do not cash their Initial Distribution checks within the time allotted or on the conditions stated in subparagraph 69(a)(6) footnote 24 of the Donohue Declaration will irrevocably forfeit all recovery from the Settlements, and the funds allocated to all of these stale-dated checks will be available to be distributed to other Authorized Claimants, if Co-Lead Counsel, in consultation with GCG, determine that it is cost-effective to conduct a second distribution. Similarly, Authorized Claimants who do not cash their second or subsequent distributions (should these distributions occur) within the time allotted or on the conditions stated in subparagraph 69(a)(6) footnote 24 of the Donohue Declaration will irrevocably forfeit any further recovery from the Net Settlement Funds;

(f) After GCG has made reasonable and diligent efforts to have Authorized Claimants cash their Initial Distribution checks (as provided in subparagraph 69(a)(6) footnote 24 of the Donohue Declaration), but not earlier than one year after the Initial Distribution, GCG will conduct a second distribution (the "Second Distribution"), in which any amounts remaining in the Net Settlement Funds after the Initial Distribution (including from the Reserve and the funds for all void stale-dated checks), after deducting GCG's fees and expenses incurred in administering the Settlements for which it has not yet been paid (including the estimated costs of the Second Distribution) and after deducting the payment of any estimated taxes, the costs of preparing appropriate tax returns, and any escrow fees, will be distributed to all Authorized Claimants in the Initial Distribution who (1) were not Claims Paid in Full; (2) cashed their Initial Distribution check; and (3) are entitled to receive at least \$20.00 from the Second Distribution

based on their *pro rata* share of the remaining funds. If cost-effective, not less than 6 months after the Second Distribution GCG will conduct a further distribution of the Net Settlement Funds, in which the funds remaining in the Net Settlement Funds, after deducting GCG's costs incurred in connection with administering the Settlements for which it has not yet been compensated, and after deducting payment of any estimated taxes, the costs of preparing appropriate tax returns, and any escrow fees, will be distributed to Authorized Claimants who cashed their most recent distribution checks and who would receive at least \$20.00 from the distribution. Additional distributions, after deduction of costs and expenses as described above and subject to the same conditions, may occur thereafter in six-month intervals until Co-Lead Counsel, in consultation with GCG, determine that further distribution is not cost-effective;

(g) When Co-Lead Counsel, in consultation with GCG, determine that further distribution of the funds remaining in the Net Settlement Funds is not cost-effective, if sufficient funds remain to warrant the processing of Claims received after May 15, 2018, those Claims will be processed, and any otherwise valid Claims received after May 15, 2018, as well as any earlier-received Claims for which an adjustment was received after May 15, 2018 which resulted in an increased Recognized Claim, will be paid in accordance with subparagraph (h) below. If any funds remain in the Net Settlement Funds after payment of any of these late or late-adjusted Claims, the remaining balance of the Net Settlement Funds, after payment of any unpaid fees or expenses incurred in administering the Net Settlement Funds and after the payment of any estimated taxes, the costs of preparing appropriate tax returns, and any escrow fees, will be contributed to non-sectarian, not-for-profit 501(c)(3) organization(s), to be designated by Co-Lead Counsel and approved by the Court;

(h) No new Claims may be accepted after May 15, 2018, and no further adjustments to Claims received on or before May 15, 2018 that would result in an increased Recognized Claim amount may be made for any reason after May 15, 2018, subject to the following exception. If Claims are received or modified after May 15, 2018 that would have been eligible for payment or additional payment under the Plan of Allocation if timely received then, at the time that Co-Lead Counsel, in consultation with GCG, determine a distribution is not cost-effective as provided in subparagraph (g) above, then, after payment of any unpaid fees or expenses incurred in connection with administering the Net Settlement Funds and after deducting the payment of any estimated taxes, the costs of preparing appropriate tax returns, and any escrow fees, these Claimants, at the discretion of Co-Lead Counsel, may be paid their distribution amounts or additional distribution amounts on a *pro rata* basis that would bring them into parity with other Authorized Claimants who have cashed all their prior distribution checks to the extent possible;

(i) All persons involved in the review, verification, calculation, tabulation, or any other aspect of the processing of the Claims submitted, or who are otherwise involved in the administration or taxation of the Settlement Funds or the Net Settlement Funds, are hereby released and discharged from any and all claims arising out of that involvement, and all Settlement Class Members and other Claimants, whether or not they receive payment from the Net Settlement Funds, are hereby barred from making any further claims against the Net Settlement Funds, Lead Plaintiffs, Co-Lead Counsel, the Claims Administrator, the Escrow Agent or any other agent retained by Lead Plaintiffs or Co-Lead Counsel in connection with the administration or taxation of the Settlement Funds or the Net Settlement Funds, or any other person released under the Settlements beyond the amounts allocated to Authorized Claimants;

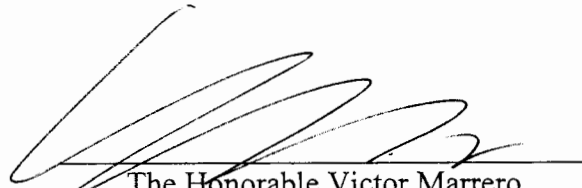
(j) All of GCG's fees and expenses incurred in the administration of the Settlement and estimated to be incurred in connection with the Distribution of the Net Settlement Funds as stated in the invoices attached as Exhibit F to the Donohue Declaration are approved, and Co-Lead Counsel are directed to pay to GCG the outstanding balance of \$369,723.77 from each of the Settlement Funds on a proportional basis relative to the total amount of the Settlements; and

(k) Unless otherwise ordered by the Court, one year after the Second Distribution GCG may destroy the paper copies of the Claims and all supporting documentation, and one year after all funds in the Net Settlement Funds have been distributed, GCG may destroy electronic copies of the same.

4. This Court retains jurisdiction to consider any further applications concerning the administration of the Settlements, and any other and further relief that this Court deems appropriate.

SO ORDERED:

Dated: 30 October, 2018


The Honorable Victor Marrero
United States District Judge

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