

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re	:	Chapter 11
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MF GLOBAL HOLDINGS LTD., <u>et al.</u> ,	:	Case No. 11-15059 (MG)
	:	
Debtors.	:	(Jointly Administered)
	:	
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	:	
In re	:	
	:	
MF GLOBAL INC.	:	Case No. 11-02790 (MG) SIPA
	:	
Debtor.	:	
	:	
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**STIPULATION RESOLVING CLAIMS OF BANK OF AMERICA N.A., AS
ASSIGNEE OF BLACKROCK FINANCIAL MANAGEMENT, INC.**

This stipulation (the “**Stipulation**”) is entered into by and between Louis J. Freeh, as Chapter 11 Trustee (the “**Chapter 11 Trustee**”) of MF Global Holdings Ltd., James W. Giddens, as the Trustee (the “**MFGI Trustee**”) of MF Global Inc. (“**MFGI**”), and Bank of America N.A. (“**BoA**”, collectively with the Chapter 11 Trustee and the MFGI Trustee, the “**Parties**”), by and through their respective undersigned counsel. The Parties hereby stipulate as follows:

RECITALS

WHEREAS, on October 31, 2011, MF Global Holdings Ltd. (“**Holdings**”, and together with certain affiliated entities that also filed bankruptcy petitions, the “**Chapter 11 Debtors**”) filed a voluntary petition for relief under Chapter 11 of title 11 of the United States Code (the

“Bankruptcy Code”) in the United States Bankruptcy Court for the Southern District of New York (the **“Bankruptcy Court”**);

WHEREAS, on October 31, 2011, the Honorable Paul A. Engelmayer, Judge for the United States District Court for the Southern District of New York, entered the Order Commencing Liquidation of MFGI, in the case captioned Securities Investor Protection Corp. v. MF Global Inc., Case No. 11-CIV-7750 (PAE), which appointed the MFGI Trustee and removed the proceeding to the Bankruptcy Court;

WHEREAS, Louis J. Freeh was appointed as the Chapter 11 Trustee of the Chapter 11 Debtors, whose bankruptcy cases (the **“Chapter 11 Cases”**) are being jointly administered pursuant to Federal Rule of Bankruptcy Procedure 1015(b);

WHEREAS, on December 23, 2011, BlackRock Financial Management, Inc. (**“BlackRock”**) filed a proof of claim asserting a general unsecured claim against MFGI for services performed in the amount of \$4,000,000 (Case No. 11-02790, Claim No. 1526, hereinafter the **“MFGI Claim”**), a copy of which is attached hereto as Exhibit A;

WHEREAS, on December 27, 2011, BlackRock filed a proof of claim asserting a general unsecured claim against Holdings for services performed in the amount of \$4,000,000 (Case No. 11-15059, Claim No. 28, hereinafter the **“Holdings Claim”**), a copy of which is attached hereto as Exhibit B;

WHEREAS, the MFGI Claim was subsequently transferred from BlackRock to BoA pursuant to an evidence of transfer agreement dated May 7, 2012 [Case No. 11-02790, ECF No. 1635], a copy of which is attached hereto as Exhibit C;

WHEREAS, the Holdings Claim was subsequently transferred from BlackRock to BoA pursuant to an evidence of transfer agreement dated May 7, 2012 [Case No. 11-15059, ECF No. 670], a copy of which is attached hereto as Exhibit D;

WHEREAS, both evidence of transfer agreements provide that BlackRock assigns to BoA “claims in the aggregate amount of \$4,000,000 . . . (i) as set forth in proof of claim number 28 filed against [Holdings] . . . *and* (ii) as set forth in proof of claim number 1526 filed against [MFGI] . . .” [Case No. 11-02790, ECF No. 1635; Case No. 11-15059, ECF No. 670];

WHEREAS, on April 5, 2013, the Bankruptcy Court entered an order [ECF No. 1288] confirming the Amended and Restated Joint Plan of Liquidation for the Chapter 11 Debtors [ECF No. 1267] (the “**Plan**”);

WHEREAS, on May 2, 2013, the Bankruptcy Court entered an order granting a motion for entry of an order approving non-material modifications to the Plan pursuant to section 1127(b) of the Bankruptcy Code [ECF No. 1376] (the “**Plan Modification Order**”);

WHEREAS, on May 3, 2013, the Second Amended and Restated Joint Plan of Liquidation for the Chapter 11 Debtors was filed, reflecting non-material plan modifications approved in the Plan Modification Order [ECF No. 1382] (the “**Second Amended Plan**”);

WHEREAS, the Parties wish to resolve the validity and amount of the Holdings Claim and the MFGI Claim;

WHEREAS, after good faith, arms-length negotiations among the Parties, an agreement was reached resolving all issues with respect to the Holdings Claim and the MFGI Claim; and

NOW THEREFORE, upon consideration of the foregoing, the Parties hereby agree as follows:

AGREEMENT

1. The recitals set forth above are incorporated herein by reference.
2. Upon the entry of a final order of the Bankruptcy Court approving this Stipulation, (A) the Holdings Claim shall be Allowed (as such term is defined in the Second Amended Plan) as a Class 6A general unsecured claim against Holdings in the amount of \$4,000,000; and (B) the MFGI Claim shall be deemed withdrawn with prejudice without any further action taken by the Parties.
3. This Stipulation shall be binding upon the Parties, the estates of MFGI and the Chapter 11 Debtors and any of their successors and assigns, including without limitation, any trustees or other estate or creditor representatives in the Chapter 11 Cases or any superseding cases under Chapter 7 of the Bankruptcy Code related to the Chapter 11 Cases.
4. This Stipulation is subject to approval by the Bankruptcy Court. In the event that such approval is not obtained, the Parties reserve all rights and nothing contained herein shall be admissible for any purpose in any proceeding before any court or tribunal or deemed a waiver or release of the same.
5. Each of the Parties shall bear its own costs and attorney's fees incurred in connection with this Stipulation.
6. Each of the Parties represents and warrants that it has full and requisite power and authority to execute, deliver and perform its obligations under this Stipulation.
7. This Stipulation shall be considered to have been negotiated, executed and delivered, and to be wholly performed, in the State of New York, and the rights and obligations of the Parties shall be construed and enforced in accordance with, and governed by, the internal,

substantive laws of the State of New York without giving effect to that State's choice-of-law principles.

8. This Stipulation may be executed in any number of counterparts, and each such counterpart is to be deemed an original for all purposes, but all counterparts shall collectively constitute one agreement. Further, electronic signatures or transmissions of an originally signed document by facsimile or pdf shall be as fully binding on the Parties as an original document.

9. This Stipulation contains the entire agreement between the Parties as to the subject matter herein and supersedes all prior agreements and understandings between the Parties relating thereto.

10. The Bankruptcy Court shall retain jurisdiction with respect to implementation and enforcement of the terms of this Stipulation, and all Parties submit to the jurisdiction of the Bankruptcy Court for purposes of implementing and enforcing this Stipulation.

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Dated: May 22, 2013
New York, New York

Katten Muchin Rosenman LLP

/s/ Darius J. Goldman

By: Darius J. Goldman
575 Madison Avenue
New York, NY 10022
Tel: (212) 940-8800

Counsel for Bank of America N.A.

Dated: May 22, 2013
New York, New York

Morrison & Foerster LLP

/s/ Melissa A. Hager

By: Brett H. Miller
Melissa A. Hager
1290 Avenue of Americas
New York, NY 10104
Tel: (212) 468-8000

*Counsel for the Chapter 11 Trustee,
Louis J. Freeh*

Dated: May 22, 2013
New York, New York

Hughes Hubbard & Reed LLP

/s/ Jeffrey S. Margolin

By: James B. Kobak, Jr.
Jeffrey S. Margolin
One Battery Park Plaza
New York, NY 10004
Tel: (212) 837-6000

*Counsel for James W. Giddens, Trustee for the
SIPA Liquidation of MF Global Inc.*

SO ORDERED:

Dated: May ___, 2013
New York, New York

MARTIN GLENN
United States Bankruptcy Judge