

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

**JUDGMENT APPROVING CLASS ACTION SETTLEMENT
WITH INDIVIDUAL DEFENDANTS**

WHEREAS, a consolidated securities class action is pending in this Court styled *In re MF Global Holdings Limited Securities Litigation*, Civil Action No. 1:11-CV-07866-VM, that has been consolidated with other actions under the master case *DeAngelis v. Corzine*, 11-CV-07866-VM (the "Action");

WHEREAS, (a) Lead Plaintiffs the Virginia Retirement System and Her Majesty The Queen In Right Of Alberta, on behalf of themselves, the other named plaintiffs in the Action, and the other members of the Individual Defendant Settlement Class (defined below), (b) defendants Jon S. Corzine, J. Randy MacDonald, and Henri J. Steenkamp (collectively, the "Officer Defendants"), and (c) defendants David P. Bolger, Eileen S. Fusco, David Gelber, Martin J.G. Glynn, Edward L. Goldberg, David I. Schamis, and Robert S. Sloan (collectively, the "Director Defendants," together with the Officer Defendants, the "Individual Defendants"; the Individual Defendants together with Lead Plaintiffs, the "Settling Parties") have entered into a Stipulation and Agreement of Settlement with the Individual Defendants dated July 2, 2015 (the "Individual Defendant Stipulation"), that provides for a complete dismissal with prejudice of the claims

asserted against the Individual Defendants in the Action on the terms and conditions set forth in the Individual Defendant Stipulation, subject to the approval of this Court (the “Individual Defendant Settlement”);

WHEREAS, unless otherwise defined in this Judgment, the capitalized terms herein shall have the same meaning as they have in the Individual Defendant Stipulation;

WHEREAS, by Order dated July 7, 2015 (the “Individual Defendant Preliminary Approval Order”), this Court: (a) preliminarily approved the Individual Defendant Settlement; (b) certified the Individual Defendant Settlement Class solely for purposes of effectuating the Individual Defendant Settlement; (c) ordered that notice of the proposed Individual Defendant Settlement be provided to potential Individual Defendant Settlement Class Members; (d) provided Individual Defendant Settlement Class Members with the opportunity either to exclude themselves from the Individual Defendant Settlement Class or to object to the proposed Individual Defendant Settlement; and (e) scheduled a hearing regarding final approval of the Individual Defendant Settlement;

WHEREAS, due and adequate notice has been given to the Individual Defendant Settlement Class;

WHEREAS, the Court conducted a hearing on November 20, 2015 (the “Settlement Hearing”) to consider, among other things: (a) whether the terms and conditions of the Individual Defendant Settlement are fair, reasonable and adequate to the Individual Defendant Settlement Class, and should therefore be approved; and (b) whether a judgment should be entered dismissing the Action with prejudice as against the Individual Defendants; and

WHEREAS, the Court having reviewed and considered the Individual Defendant Stipulation, all papers filed and proceedings held herein in connection with the Individual

Defendant Settlement, all oral and written comments received regarding the Individual Defendant Settlement, and the record in the Action, and good cause appearing therefor;

NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED:

1. **Jurisdiction** – The Court has jurisdiction over the subject matter of the Action, and all matters relating to the Individual Defendant Settlement, as well as personal jurisdiction over all of the Settling Parties and each of the Individual Defendant Settlement Class Members.

2. **Incorporation of Settlement Documents** – This Judgment incorporates and makes a part hereof: (a) the Individual Defendant Stipulation filed with the Court on July 7, 2015; and (b) the PwC/Individual Defendant Notice and the PwC/Individual Defendant Summary Notice, both of which were filed with the Court on October 9, 2015.

3. **Class Certification for Settlement Purposes** – The Court hereby affirms its determinations in the Individual Defendant Preliminary Approval Order certifying, for the purposes of the Individual Defendant Settlement only, the Action as a class action pursuant to Rules 23(a) and (b)(3) of the Federal Rules of Civil Procedure on behalf of a class consisting of all persons and entities who or which purchased or otherwise acquired any of the MF Global Securities¹ during the Settlement Class Period (*i.e.*, the period beginning on May 20, 2010 through and including November 21, 2011), and were damaged thereby (the “Individual Defendant Settlement Class”). Excluded from the Individual Defendant Settlement Class are: (i) Defendants and MF Global; (ii) members of the Immediate Families of the Individual

¹ “MF Global Securities” means common stock of MF Global Holdings Limited (including shares acquired through the MF Global Ltd. Amended and Restated 2007 Long Term Incentive Plan (“LTIP”) or the MF Global Ltd. Employee Stock Purchase Plan) (CUSIP 55277J108); MF Global’s 9% Convertible Senior Notes due June 20, 2038 issued on or about June 25, 2008 (CUSIP 55276YAB2); MF Global’s 1.875% Convertible Senior Notes due February 1, 2016 issued on or about February 7, 2011 (CUSIP 55277JAA6); MF Global’s 3.375% Convertible Senior Notes due August 1, 2018 issued on or about July 28, 2011 (CUSIP 55277JAB4); and MF Global’s 6.25% Senior Notes due August 8, 2016 issued on or about August 1, 2011 (CUSIP 55277JAC2).

Defendants; (iii) the subsidiaries and affiliates of Defendants and MF Global; (iv) any person or entity who or which was at any time during the Settlement Class Period and/or is a partner, executive officer, director, or controlling person of MF Global, or any of its subsidiaries or affiliates, or of any Defendant; (v) any entity in which any Defendant or MF Global had at any time during the Settlement Class Period and/or has a controlling interest (including but not limited to any trust established by an Individual Defendant for the benefit of (a) himself/herself or any member of his/her family, or (b) any entity in which he/she has had or has a beneficial interest; or any trust over which an Individual Defendant has had and/or currently has any form of direct or indirect control); (vi) Defendants' Insurance Carriers, and any affiliates or subsidiaries thereof; (vii) the *AG Oncor* Plaintiffs; (viii) Cadian and its principals, members, officers, directors and controlling persons; and (ix) the legal representatives, heirs, successors and assigns of any such excluded person or entity; provided, however, that any Investment Vehicle shall not be deemed an excluded person or entity by definition. Additionally, also excluded from the Individual Defendant Settlement Class as well as any other settlement class(es) and litigation class that may be certified in the Action is the person listed on Exhibit 1 hereto who is excluded pursuant to request.

4. **Adequacy of Representation** – Pursuant to Rule 23 of the Federal Rules of Civil Procedure, and for the purposes of the Individual Defendant Settlement only, the Court hereby affirms its determinations in the Individual Defendant Preliminary Approval Order certifying Lead Plaintiffs as class representatives for the Individual Defendant Settlement Class and appointing Co-Lead Counsel as class counsel for the Individual Defendant Settlement Class. Lead Plaintiffs and Co-Lead Counsel have fairly and adequately represented the Individual Defendant Settlement Class both in terms of litigating the Action and for purposes of entering

into and implementing the Individual Defendant Settlement and have satisfied the requirements of Federal Rules of Civil Procedure 23(a)(4) and 23(g), respectively.

5. **Notice** – The Court finds that the dissemination of the PwC/Individual Defendant Notice and the publication of the PwC/Individual Defendant Summary Notice: (a) were implemented in accordance with the Individual Defendant Preliminary Approval Order; (b) constituted the best notice practicable under the circumstances; (c) constituted notice that was reasonably calculated, under the circumstances, to apprise Individual Defendant Settlement Class Members of (i) the pendency of the Action; (ii) the effect of the proposed Individual Defendant Settlement (including the Releases to be provided thereunder); (iii) Co-Lead Counsel’s motion for an award of attorneys’ fees and reimbursement of expenses; (iv) their right to object to any aspect of the Individual Defendant Settlement, the Plan of Allocation, and/or Co-Lead Counsel’s motion for an award of attorneys’ fees and reimbursement of expenses; (v) their right to exclude themselves from the Individual Defendant Settlement Class; and (vi) their right to appear at the Settlement Hearing; (d) constituted due, adequate, and sufficient notice to all persons and entities entitled to receive notice of the proposed Individual Defendant Settlement; and (e) satisfied the requirements of Rule 23 of the Federal Rules of Civil Procedure, the United States Constitution (including the Due Process Clause), the Private Securities Litigation Reform Act of 1995, 15 U.S.C. §§ 77z-1, 78u-4, as amended, and all other applicable law and rules.

6. **Final Settlement Approval and Dismissal of Claims** – Pursuant to, and in accordance with, Rule 23 of the Federal Rules of Civil Procedure, this Court hereby fully and finally approves the Individual Defendant Settlement set forth in the Individual Defendant Stipulation in all respects (including, without limitation: the amount of the Individual Defendant Settlement; the Releases provided for therein, including the release of the Released Plaintiffs’

Claims as against the Individual Defendants; and the dismissal with prejudice of the claims asserted against the Individual Defendants in the Action), and finds that the Individual Defendant Settlement is, in all respects, fair, reasonable and adequate to the Individual Defendant Settlement Class. The Settling Parties are directed to implement, perform and consummate the Individual Defendant Settlement in accordance with the terms and provisions contained in the Individual Defendant Stipulation.

7. All of the claims asserted against the Individual Defendants in the Action by Lead Plaintiffs and the other Individual Defendant Settlement Class Members are hereby dismissed with prejudice. The Settling Parties shall bear their own costs and expenses, except as otherwise expressly provided in the Individual Defendant Stipulation.

8. **Binding Effect** – The terms of the Individual Defendant Stipulation and of this Judgment shall be forever binding on the Individual Defendants, Lead Plaintiffs and all other Individual Defendant Settlement Class Members (regardless of whether or not any individual Individual Defendant Settlement Class Member submits a Proof of Claim Form or seeks or obtains a distribution from the Individual Defendant Net Settlement Fund), as well as their respective successors and assigns. The person listed on Exhibit 1 hereto is excluded from the Individual Defendant Settlement Class pursuant to request and is not bound by the terms of the Individual Defendant Stipulation or this Judgment.

9. **Releases** – The Releases set forth in paragraphs 5, 6 and 7 of the Individual Defendant Stipulation, together with the definitions contained in paragraph 1 of the Individual Defendant Stipulation relating thereto, are expressly incorporated herein in all respects. The Releases are effective as of the Effective Date. Accordingly, this Court orders that:

(a) Without further action by anyone, and subject to paragraph 10 below, upon the Effective Date of the Individual Defendant Settlement, Lead Plaintiffs and each of the other Individual Defendant Settlement Class Members, on behalf of themselves and all of their respective past, present or future parents, subsidiaries, divisions, affiliates, shareholders, general or limited partners, attorneys, spouses, insurers, beneficiaries, employees, officers, directors, legal and equitable owners, members, predecessors in interest, successors in interest, legal representatives, trustees, associates, heirs, executors, administrators, and/or assigns, in their capacities as such, release and forever discharge, to the fullest extent permitted by law, and shall be deemed to have, and by operation of law and of this Judgment shall have, fully, finally and forever compromised, settled, released, resolved, relinquished, waived and discharged each and every Released Plaintiffs' Claim against the Individual Defendants and the other Individual Defendants' Releasees, and shall forever be enjoined from prosecuting any or all of the Released Plaintiffs' Claims against any of the Individual Defendants' Releasees. Notwithstanding any of the other provisions of this Judgment or any provisions of the Stipulation, this Release shall not apply to, and Lead Plaintiffs and each of the other Settlement Class Members do not release and shall not release any of the Excluded Plaintiffs' Claims.

(b) Without further action by anyone, and subject to paragraph 10 below, upon the Effective Date of the Individual Defendant Settlement, the Individual Defendants, on behalf of themselves and all of their respective past, present or future attorneys, spouses, insurers, beneficiaries, employees, predecessors in interest, successors in interest, legal representatives, trustees, associates, heirs, executors, administrators, affiliates and/or assigns, in their capacities as such, release and forever discharge to the fullest extent permitted by law, and shall be deemed to have, and by operation of law and of this Judgment shall have, fully, finally

and forever compromised, settled, released, resolved, relinquished, waived and discharged each and every Released Individual Defendants' Claim against Lead Plaintiffs and the other Plaintiffs' Releasees, as well as the Individual Defendants' Insurance Carriers but only to the extent of their payments made towards the defense of the Action and/or the Settlement Amount under their respective insurance policies, and shall forever be enjoined from prosecuting any or all of the Released Individual Defendants' Claims against any of those Releasees. Notwithstanding any of the other provisions of this Judgment or any provision of the Stipulations, this Release shall not apply to, and the Individual Defendants do not release and shall not release, any Excluded Individual Defendants' Claim, nor does this release apply to the person listed on Exhibit 1 hereto.

(c) With respect to any and all Released Claims, the Settling Parties stipulate and agree that, upon the Effective Date of the Settlement, Lead Plaintiffs and the Individual Defendants shall be deemed to have expressly waived, and each of the other Settlement Class Members shall be deemed to have waived, and by operation of the Judgment shall have expressly waived, to the fullest extent permitted by law, any and all provisions, rights, and benefits conferred by California Civil Code § 1542 and any law of any state or territory of the United States, or principle of common law or foreign law, which is similar, comparable, or equivalent to California Civil Code § 1542, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

Lead Plaintiffs, Settlement Class Members and the Individual Defendants may hereafter discover facts in addition to or different from those which he, she or it now knows or believes to be true with respect to the subject matter of the Released Plaintiffs' Claims or the Released Individual

Defendants' Claims as applicable, but each Lead Plaintiff and each Individual Defendant shall expressly have -- and each Settlement Class Member by operation of the Judgment shall be deemed to have -- upon the Effective Date, fully, finally and forever settled and released any and all Released Plaintiffs' Claims or any and all Released Individual Defendants' Claims as applicable, whether known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which is negligent, reckless, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. Lead Plaintiffs and the Individual Defendants acknowledge, and each of the other Settlement Class Members shall be deemed by operation of law to have acknowledged, that the foregoing waiver was separately bargained for and a material element of the Settlement.

10. Notwithstanding paragraphs 9(a) – (c) above, nothing in this Judgment shall bar any action by any of the Settling Parties to enforce or effectuate the terms of the Individual Defendant Stipulation or this Judgment.

11. **Bar Order** – The Court hereby: (a) permanently bars, enjoins and restrains any person or entity from commencing, prosecuting, or asserting any Barred Claims against any of the Individual Defendants' Releasees, whether as claims, cross-claims, counterclaims, third-party claims, or otherwise, and whether asserted in the Action or any other proceeding, in this Court, in any federal or state court, or in any other court, arbitration proceeding, administrative agency, or other forum in the United States or elsewhere; and (b) permanently bars, enjoins, and restrains the Individual Defendants' Releasees from commencing, prosecuting, or asserting any Barred Claims against any person or entity, whether as claims, cross-claims, counterclaims, third-party

claims or otherwise, and whether asserted in the Action or any other proceeding, in this Court, in any federal or state court, or in any other court, arbitration proceeding, administrative agency, or other forum in the United States or elsewhere.

12. **Judgment Reduction** – Any final verdict or judgment obtained by or on behalf of the Individual Defendant Settlement Class or an Individual Defendant Settlement Class Member against any person or entity subject to the Bar Order arising out of or relating to any Released Plaintiffs' Claim shall be reduced by the greater of: (a) an amount that corresponds to the percentage of responsibility of the Individual Defendants for the loss to the Individual Defendant Settlement Class or the Individual Defendant Settlement Class Member for common damages in connection with any such final verdict or judgment; or (b) the amount paid by or on behalf of the Individual Defendants to the Individual Defendant Settlement Class or the Individual Defendant Settlement Class Member for common damages.

13. **Rule 11 Findings** – The Court finds and concludes that the Settling Parties and their respective counsel have complied in all respects with the requirements of Rule 11 of the Federal Rules of Civil Procedure in connection with the institution, prosecution, defense, and settlement of the Action.

14. **No Admissions** – Neither this Judgment, the Individual Defendant Stipulation (whether or not consummated), including the exhibits thereto and the Plan of Allocation (or any other plan of allocation that may be approved by the Court), the negotiations leading to the execution of the Individual Defendant Stipulation, nor any proceedings taken pursuant to or in connection with the Individual Defendant Stipulation and/or approval of the Individual Defendant Settlement (including any arguments proffered in connection therewith):

(a) shall be offered against any of the Individual Defendants' Releasees as evidence of, or construed as, or deemed to be evidence of (i) any presumption, concession, or admission by any of the Individual Defendants' Releasees with respect to the truth of any fact alleged by Lead Plaintiffs, the validity of any claim that was or could have been asserted by Lead Plaintiffs or any member of the Individual Defendant Settlement Class, the deficiency of any defense that has been or could have been asserted by the Individual Defendants in this Action or in any other litigation, or coverage under any of the Individual Defendants' Insurance Carriers' respective policies, or (ii) any liability, negligence, fault, or other wrongdoing of any kind of any of the Individual Defendants' Releasees or in any way referred to for any other reason as against any of the Individual Defendants' Releasees, in any civil, criminal or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of the Individual Defendant Stipulation;

(b) shall be offered against any of the Plaintiffs' Releasees, as evidence of, or construed as, or deemed to be evidence of (i) any presumption, concession or admission by any of the Plaintiffs' Releasees that any of their claims are without merit, that any of the Individual Defendants' Releasees had meritorious defenses, or that damages recoverable against the Individual Defendants under the Complaint would not have exceeded the Individual Defendant Settlement Amount, or (ii) any liability, negligence, fault or wrongdoing of any kind, or in any way referred to for any other reason as against any of the Plaintiffs' Releasees, in any civil, criminal or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of the Individual Defendant Stipulation; or

(c) shall be construed against any of the Releasees as an admission, concession, or presumption that the consideration to be given under the Individual Defendant Settlement represents the amount which could be or would have been recovered against the Individual Defendants after trial;

provided, however, that the Settling Parties and the Releasees and their respective counsel may refer to this Judgment and the Individual Defendant Stipulation to effectuate the protections from liability granted hereunder and thereunder or otherwise to enforce the terms of the Individual Defendant Settlement.

15. **Retention of Jurisdiction** – Without affecting the finality of this Judgment in any way, this Court retains continuing and exclusive jurisdiction over: (a) the Settling Parties for purposes of the administration, interpretation, implementation and enforcement of the Individual Defendant Settlement; (b) the disposition of the Individual Defendant Settlement Fund; (c) any motion for an award of attorneys' fees and/or expenses by Co-Lead Counsel in the Action that will be paid from the Individual Defendant Settlement Fund; (d) any motion to approve the Plan of Allocation; (e) any motion to approve the Class Distribution Order; and (f) the Individual Defendant Settlement Class Members for all matters relating to the Individual Defendant Settlement.

16. Separate orders shall be entered regarding approval of a plan of allocation and the motion of Co-Lead Counsel for an award of attorneys' fees and reimbursement of expenses. Such orders shall in no way affect or delay the finality of this Judgment and shall not affect or delay the Effective Date of the Individual Defendant Settlement.

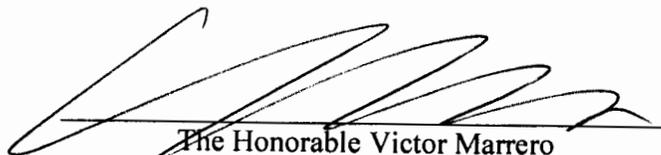
17. **Modification of the Agreement of Settlement** – Without further approval from the Court, Lead Plaintiffs and the Individual Defendants are hereby authorized to agree to and

adopt such amendments or modifications of the Individual Defendant Stipulation or any exhibits attached thereto to effectuate the Individual Defendant Settlement that: (a) are not materially inconsistent with this Judgment; and (b) do not materially limit the rights of Individual Defendant Settlement Class Members in connection with the Individual Defendant Settlement. Without further order of the Court, Lead Plaintiffs and the Individual Defendants may agree to reasonable extensions of time to carry out any provisions of the Individual Defendant Settlement.

18. **Termination of Settlement** – If the Individual Defendant Settlement is terminated as provided in the Individual Defendant Stipulation or the Effective Date of the Individual Defendant Settlement otherwise fails to occur, this Judgment shall be vacated, rendered null and void and be of no further force and effect, except as otherwise provided by the Individual Defendant Stipulation, and this Judgment shall be without prejudice to the rights of Lead Plaintiffs, the other Individual Defendant Settlement Class Members and the Individual Defendants, and the Settling Parties shall revert to their respective positions in the Action as of May 8, 2015, as provided in the Individual Defendant Stipulation.

19. **Entry of Final Judgment** – There is no just reason to delay the entry of this Judgment as a final judgment in this Action as against the Individual Defendants pursuant to Rule 54(b) of the Federal Rules of Civil Procedure. Accordingly, the Clerk of the Court is expressly directed to immediately enter this final judgment as against the Individual Defendants.

SO ORDERED this 25th day of November, 2015.



The Honorable Victor Marrero
United States District Judge

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