**Hearing Date and Time: November 18, 2013 at 10:00 AM (Prevailing Eastern Time)**
**Response Deadline: November 8, 2013 at 4:00 PM (Prevailing Eastern Time)**

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

| | | |
|---|---|---|
| **In re** | : | **Chapter 11** |
| **MF GLOBAL HOLDINGS LTD., *et al.*,** | : | **Case No. 11-15059 (MG)** |
| **Debtors.** | : | **(Jointly Administered)** |

**THIRTY-FOURTH OMNIBUS OBJECTION OF PLAN ADMINISTRATOR SEEKING TO DISALLOW CERTAIN AMENDED AND/OR SUPERSEDED CLAIMS**

**THIS OBJECTION SEEKS TO DISALLOW AND EXPUNGE CERTAIN FILED PROOFS OF CLAIM. PARTIES RECEIVING THIS OBJECTION SHOULD REVIEW THE OBJECTION TO SEE IF THEIR NAME(S) AND/OR CLAIM(S) ARE LOCATED IN THE OBJECTION AND/OR IN THE EXHIBIT ATTACHED THERETO TO DETERMINE WHETHER THIS OBJECTION AFFECTS THEIR CLAIM(S).**

**IF YOU HAVE QUESTIONS, PLEASE CONTACT THE PLAN ADMINISTRATOR'S COUNSEL, WILLIAM M. HILDBOLD, AT (212) 336-4063.**

MF Global Holdings Ltd. ("**Holdings Ltd.**"), the Plan Administrator under the *Second Amended and Restated Joint Plan of Liquidation Pursuant to Chapter 11 of the Bankruptcy Code for MF Global Holdings Ltd., MF Global Finance USA Inc., MF Global Capital LLC, MF Global FX Clear LLC, MF Global Market Services LLC, and MF Global Holdings USA Inc.* (the "**Second Amended and Restated Plan**")[1] [Docket No. 1382], hereby files this objection (the "**Objection**") to certain proofs of claim that have been amended and superseded, as listed on Exhibit A attached hereto (the "**Amended/Superseded Claims**"), and seeks entry of an order, substantially in the form attached hereto as Exhibit B (the "**Proposed Order**"), disallowing and expunging the Amended/Superseded Claims, pursuant to section 502(b) of title 11 of the United States Code (the "**Bankruptcy Code**") and Rule 3007(d) of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**"). In support of the Objection, the Plan Administrator submits the Declaration of Scott A. Rinaldi, attached hereto as Exhibit C (the "**Rinaldi Declaration**"), and respectfully represents as follows:

## I. JURISDICTION

1. This Court has jurisdiction over this Objection under 28 U.S.C. § 1334. This matter is a core proceeding under 28 U.S.C. § 157(b). Venue is proper before this Court under 28 U.S.C. §§ 1408 and 1409.

## II. BACKGROUND

2. On October 31, 2011, Holdings Ltd. and MF Global Finance USA, Inc. ("**FinCo**") filed voluntary petitions in this Court for relief under chapter 11 of the Bankruptcy Code. On December 19, 2011, MF Global Capital LLC ("**Capital**"), MF Global FX Clear LLC ("**FX Clear**") and MF Global Market Services LLC ("**Market Services**") filed voluntary

[1] Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Second Amended and Restated Plan.

petitions in this Court for relief under chapter 11 of the Bankruptcy Code. On March 2, 2012, MF Global Holdings USA Inc. (individually, "**Holdings USA**", and collectively with Holdings Ltd., FinCo, Capital, FX Clear and Market Services, the "**Debtors**"), filed a voluntary petition in this Court for relief under chapter 11 of the Bankruptcy Code. The Debtors' cases (collectively, the "**Chapter 11 Cases**") are being jointly administered pursuant to Bankruptcy Rule 1015(b) [Docket Nos. 19, 298, 528]. No examiner has been appointed in the Chapter 11 Cases.

3. On November 7, 2011, the United States Trustee (the "**U.S. Trustee**") appointed an unsecured creditors' committee (the "**Committee**") in the initial debtors' cases.

4. On November 21, 2011, the Committee and the initial debtors jointly moved this Court for an order directing the U.S. Trustee to appoint a chapter 11 trustee [Docket No. 131], which this Court entered on November 22, 2011 [Docket No. 156].

5. On November 28, 2011, this Court entered an order granting the U.S. Trustee's application to appoint a chapter 11 trustee, pursuant to which Louis J. Freeh (the "**Trustee**") was appointed as the chapter 11 trustee for the initial debtors [Docket No. 170].

6. By orders dated December 27, 2011 and March 8, 2012, this Court approved the appointment of the Trustee as the chapter 11 trustee for all of the other debtors [Docket Nos. 306, 548].

7. On June 28, 2012, this Court entered *the Order (I) Establishing Deadline for Filing Proofs of Claim and (II) Approving the Form and* Manner *of Notice Thereof* [Docket No. 740] which established (i) August 22, 2012 at 5:00 p.m. (prevailing Eastern Time) as the deadline for all persons and entities other than governmental units, as defined in section 101(27) of the Bankruptcy Code, to file a pre-petition proof of claim against the Debtors, including a claim pursuant to section 503(b)(9) of the Bankruptcy Code, and (ii) August 29, 2012 at 5:00

p.m. (prevailing Eastern Time) as the deadline for governmental units to file a pre-petition proof of claim against the Debtors.

8. To date, in excess of 2,000 unsecured, secured, priority, and administrative proofs of claim (collectively, "**Claims**") have been filed in the Chapter 11 Cases, including late-filed Claims, with asserted liabilities of approximately $11.6 billon, plus unliquidated amounts.

9. On April 5, 2013, this Court entered an order (the "**Confirmation Order**") [Docket No. 1288] confirming the *Amended and Restated Joint Plan of Liquidation Pursuant to Chapter 11 of the Bankruptcy Code for MF Global Holdings Ltd., MF Global Finance USA Inc., MF Global Capital LLC, MF Global FX Clear LLC, MF Global Market Services LLC, and MF Global Holdings USA Inc*., dated April 1, 2013 (the "**Amended and Restated Plan**") [Docket No. 1267] (amending and restating the *Amended Joint Plan of Liquidation Pursuant to Chapter 11 of the Bankruptcy Code for MF Global Holdings Ltd., MF Global Finance USA Inc., MF Global Capital LLC, MF Global FX Clear LLC, MF Global Market Services LLC, and MF Global Holdings USA Inc*., dated February 20, 2013 [Docket No. 1111], as subsequently supplemented, amended or modified, including by the Plan Adjustment [Docket No. 1182] and the Plan Supplement [Docket No. 1203]).

10. On May 2, 2013, this Court entered the *Order Granting the Plan Proponents' Motion for Entry of an Order Approving Nonmaterial Modifications to the Plan Pursuant to Section 1127(b) of the Bankruptcy Code* (the "**Plan Modification Order**") [Docket No. 1376].

11. On May 3, 2013, the Plan Proponents filed the Second Amended and Restated Plan, which reflects the nonmaterial modifications to the Amended and Restated Plan as approved by the Plan Modification Order.

12. The Plan Modification Order, among other things, provides that the Confirmation Order remains in effect and applies to the Second Amended and Restated Plan, such that the Second Amended and Restated Plan is deemed confirmed by the Confirmation Order.

13. The Effective Date of the Second Amended and Restated Plan occurred on June 4, 2013. As of the Effective Date, Holdings Ltd. became the Plan Administrator under the Second Amended and Restated Plan. Also as of the Effective Date, pursuant to the Confirmation Order, the Trustee fulfilled all of his duties under section 1106 of the Bankruptcy Code and, accordingly, is discharged from all further obligations.

14. The Plan Administrator's duties and powers include reviewing, reconciling, compromising, settling or objecting to Claims and resolving such objections as set forth in the Second Amended and Restated Plan, free of any restrictions of the Bankruptcy Code or the Bankruptcy Rules. *See* Second Amended and Restated Plan, section IV.A.C. As of the Effective Date, only the Plan Administrator has the authority to file, settle, compromise, withdraw or litigate to judgment objections to Claims. *See* Second Amended and Restated Plan, section VII.B.1. Notwithstanding Bankruptcy Rule 3007(c), the Plan Administrator is permitted to file omnibus objections to Claims. *See* Second Amended and Restated Plan, section VII.B.2.

## III. OBJECTION

15. This Objection relates to certain Claims identified on Exhibit A listed under the heading "Amended/Superseded Claims" that have been amended and superseded by at least one subsequently filed proof of claim as identified on Exhibit A under the heading "Surviving Claims" (collectively, the "**Surviving Claims**").[2] The Surviving Claims may not

[2] Although certain of the Surviving Claims expressly indicate that the Surviving Claim was intended to replace the Amended/Superseded Claim, as a technical matter, the Amended/Superseded Claims remain on the Debtors' claims (Cont.'d)

specifically state on their face that they are amendments of the Amended/Superseded Claims, but a review of the substance, basis for, amount of, and documents in support of each Claim establishes that the Surviving Claims amend and supersede the corresponding Amended/Superseded Claims.

16. The Plan Administrator objects to the allowance of each Amended/Superseded Claim because it would provide for a double recovery from the Debtors on account of the same Claim and thus is unenforceable against the Debtors. The Amended/Superseded Claims should be disallowed and expunged from the Claims Register.

## IV. RELIEF REQUESTED

17. By this Objection, pursuant to section 502 of the Bankruptcy Code, Bankruptcy Rule 3007, and the Second Amended and Restated Plan, the Plan Administrator requests that this Court enter the Proposed Order disallowing and expunging from the Claims Register the Amended/Superseded Claims.

## V. BASIS FOR RELIEF

18. A filed proof of claim is deemed allowed unless a party in interest objects thereto. *See* 11 U.S.C. § 502(a). If an objection refuting at least one of the claim's essential allegations is asserted, the claimant then has the burden to demonstrate the validity of the claim. *See Sherman v. Novak (In re Reilly)*, 245 B.R. 768, 773 (2d Cir. B.A.P. 2000) ("[T]he objecting party must come forth with evidence which, if believed, would refute at least one of the allegations essential to the claim. . . . Once the [objector] offered the evidence refuting the allegations in the proof of claim, the burden shifted to the [claimant]."); *In re Oneida Ltd.*, 400 B.R. 384, 389 (Bankr. S.D.N.Y. 2009); *In re Adelphia Commc'ns Corp.*, No. 02-41729, 2007

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register (the "**Claims Register**") as outstanding liabilities until withdrawn by the claimant or disallowed by this Court. *See* 11 U.S.C. § 502(a).

Bankr. LEXIS 660 at *15 (Bankr. S.D.N.Y. Feb. 20, 2007); *In re Rockefeller Ctr. Props.*, 272 B.R. 524, 539 (Bankr. S.D.N.Y. 2000).

19. Section 502(b)(1) of the Bankruptcy Code provides that a claim may not be allowed to the extent that "such claim is unenforceable against the debtor and property of the debtor, under any agreement or applicable law." 11 U.S.C. § 502(b)(1). The Debtors cannot be required to pay on the same claim more than once. *See, e.g.*, *In re Finley*, 160 B.R. 882, 894 (Bankr. S.D.N.Y. 1993) ("In bankruptcy, multiple recoveries for an identical injury are generally disallowed.").

20. The Plan Administrator determined that each Amended/Superseded Claim has been amended and superseded by the corresponding subsequently filed Surviving Claim and is thus unenforceable against the Debtors.

21. To avoid multiple recoveries on a single Claim, the Plan Administrator respectfully requests that this Court disallow and expunge, in their entirety, the Amended/Superseded Claims from the Claims Register. The Surviving Claims will remain on the Claims Register, subject to further objection on any basis.

## VI. RESERVATION OF RIGHTS

22. To the extent not disallowed by this Objection, the Plan Administrator reserves the right to object further to all Claims on any and all additional factual or legal grounds. Without limiting the generality of the foregoing, the Plan Administrator specifically reserves the right to amend this Objection, file additional papers in support of this Objection or take other appropriate actions, including to: (a) respond to any allegation or defense that may be raised in a response filed by or on behalf of any of the claimants or other interested parties; (b) object further to any Amended/Superseded Claim for which a claimant provides (or attempts to provide) additional documentation or substantiation; and (c) object further to any

Amended/Superseded Claim based on additional information that may be discovered upon further review by the Plan Administrator or through discovery.

## VII. NOTICE

23. Notice of this Objection has been served on (a) all claimants whose Claims are the subject of this Objection, and their counsel, if known, and (b) other parties entitled to notice pursuant to this Court's *Order Pursuant to 11 U.S.C. § 105(a) of the Bankruptcy Code and Fed. R. Bankr. P. 1015(c) and 9007 Implementing Certain Notice and Case Management Procedures* [Docket No. 256] (the "**Case Management Order**"). The Plan Administrator submits that no other or further notice need be provided.

24. No previous request for the relief sought herein has been made by the Plan Administrator to this or any other Court.

## VIII. CONCLUSION

WHEREFORE, the Plan Administrator respectfully requests entry of the Proposed Order granting the relief requested herein and such other and further relief as this Court may deem proper.

Dated: October 18, 2013
New York, New York

/s/ Brett H. Miller
**MORRISON & FOERSTER LLP**
Brett H. Miller
Melissa A. Hager
Craig A. Damast
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New York, New York 10104
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*Counsel for MF Global Holdings Ltd., as Plan Administrator*

**EXHIBIT A**

# MF Global Holdings Ltd.
## Exhibit A - Amended & Superseded Claims

Note: Claimants are listed alphabetically by last name or by entity name.

| SEQ NO. | CLAIMS TO BE EXPUNGED | | | | | | SURVIVING CLAIMS | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | NAME | CLAIM NO. | DATE FILED | CLAIMED DEBTOR | CASE NUMBER | CLAIM AMOUNT | NAME | CLAIM NO. | DATE FILED | CLAIMED DEBTOR | CASE NUMBER | CLAIM AMOUNT |
| 1 | CHAUDHRY, TALHA<br>31 GLOUCESTER RD<br>SUMMIT, NJ 07901 | 1433 | 08/22/12 | MF Global Holdings Ltd. | 11-15059 | Unsecured: $325,778.00* | CHAUDHRY, TALHA<br>31 GLOUCESTER RD<br>SUMMIT, NJ 07901 | 2050 | 05/08/13 | MF Global Holdings Ltd. | 11-15059 | Priority: $16,308.36*<br>Unsecured: $753,672.35* |
| 2 | CHAUDHRY, TALHA<br>31 GLOUCESTER RD<br>SUMMIT, NJ 07901 | 1434 | 08/22/12 | MF Global Holdings USA Inc. | 12-10863 | Unsecured: $325,778.00* | CHAUDHRY, TALHA<br>31 GLOUCHESTER RD<br>SUMMIT, NJ 07901 | 2051 | 05/08/13 | MF Global Holdings USA Inc. | 12-10863 | Priority: $16,308.36*<br>Unsecured: $753,672.35* |
| | | | | **TOTAL:** | | **$651,556.00** | | | | **TOTAL:** | | **$1,539,961.42** |

* Denotes an unliquidated component.

# EXHIBIT B

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

| | | |
|---|---|---|
| **In re** | : | **Chapter 11** |
| **MF GLOBAL HOLDINGS LTD., *et al.*,** | : | **Case No. 11-15059 (MG)** |
| **Debtors.** | : | **(Jointly Administered)** |

**ORDER GRANTING THE THIRTY-FOURTH OMNIBUS OBJECTION OF PLAN ADMINISTRATOR SEEKING TO DISALLOW CERTAIN AMENDED AND/OR SUPERSEDED CLAIMS**

This matter coming before the Court on the *Thirty-Fourth Omnibus Objection of Plan Administrator Seeking to Disallow Certain Amended and/or Superseded Claims* (the "**Objection**");[1] and the Court having reviewed the Objection and the Rinaldi Declaration, and having heard the statements of counsel regarding the relief requested in the Objection at a hearing before the Court (the "**Hearing**"); and the Court finding that (i) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (ii) venue is proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409, (iii) this is a core proceeding pursuant to 28 U.S.C. § 157(b), and (iv) notice of the Objection and the Hearing was adequate and in compliance with the Case Management Order, the Bankruptcy Code, the Bankruptcy Rules, and the Local Bankruptcy Rules; and the Court having found and determined that the relief sought in the Objection is in the best interests of the Debtors' estates and their creditors and other parties in interest; and the Court having determined that the legal and factual bases set forth in the

[1] Capitalized terms not otherwise defined herein have the meanings given to them in the Objection.

Objection and at the Hearing establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor; it is hereby

**ORDERED** that the relief requested in the Objection is granted; and it is further

**ORDERED** that pursuant to section 502(b) of the Bankruptcy Code, Bankruptcy Rule 3007, and the Second Amended and Restated Plan, the Amended/Superseded Claims listed on Schedule 1 attached hereto are hereby disallowed with prejudice and expunged in their entirety from the Claims Register; and it is further

**ORDERED** that the Plan Administrator may object on any basis to any Amended/ Superseded Claim as to which the Objection was filed but that is not on Schedule 1 attached hereto; and it is further

**ORDERED** that the Surviving Claims listed on Schedule 1 attached hereto will remain on the Claims Register, and such claims are neither allowed nor disallowed at this time, and are subject to any future objection on any basis; and it is further

**ORDERED** that all information included on, and all documentation filed in support of, any Amended/Superseded Claim shall be treated as having been filed in support of and included in the corresponding Surviving Claim; and it is further

**ORDERED** that the disallowance and expungement of the Amended/Superseded Claims does not constitute any admission or finding with respect to any of the Surviving Claims and the Plan Administrator's right to object to Surviving Claims on any basis is hereby preserved; and it is further

**ORDERED** that the terms and conditions of this Order shall be immediately effective and enforceable upon entry of this Order; and it is further

**ORDERED** that this Court shall retain jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: _____, 2013
New York, New York

_____
UNITED STATES BANKRUPTCY JUDGE

**SCHEDULE 1**

# MF Global Holdings Ltd.
## Schedule I - Amended & Superseded Claims

Note: Claimants are listed alphabetically by last name or by entity name.

| SEQ NO. | CLAIMS TO BE EXPUNGED | | | | | | SURVIVING CLAIMS | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | NAME | CLAIM NO. | DATE FILED | CLAIMED DEBTOR | CASE NUMBER | CLAIM AMOUNT | NAME | CLAIM NO. | DATE FILED | CLAIMED DEBTOR | CASE NUMBER | CLAIM AMOUNT |
| 1 | CHAUDHRY, TALHA<br>31 GLOUCESTER RD<br>SUMMIT, NJ 07901 | 1433 | 08/22/12 | MF Global Holdings Ltd. | 11-15059 | Unsecured: $325,778.00* | CHAUDHRY, TALHA<br>31 GLOUCESTER RD<br>SUMMIT, NJ 07901 | 2050 | 05/08/13 | MF Global Holdings Ltd. | 11-15059 | Priority: $16,308.36*<br>Unsecured: $753,672.35* |
| 2 | CHAUDHRY, TALHA<br>31 GLOUCESTER RD<br>SUMMIT, NJ 07901 | 1434 | 08/22/12 | MF Global Holdings USA Inc. | 12-10863 | Unsecured: $325,778.00* | CHAUDHRY, TALHA<br>31 GLOUCHESTER RD<br>SUMMIT, NJ 07901 | 2051 | 05/08/13 | MF Global Holdings USA Inc. | 12-10863 | Priority: $16,308.36*<br>Unsecured: $753,672.35* |
| | | | | **TOTAL:** | | **$651,556.00** | | | | **TOTAL:** | | **$1,539,961.42** |

* Denotes an unliquidated component.

**EXHIBIT C**

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

| | | |
|---|---|---|
| **In re** | : | **Chapter 11** |
| **MF GLOBAL HOLDINGS LTD., *et al.*,** | : | **Case No. 11-15059 (MG)** |
| **Debtors.** | : | **(Jointly Administered)** |

**DECLARATION OF SCOTT A. RINALDI IN SUPPORT OF THE THIRTY-FOURTH OMNIBUS OBJECTION OF PLAN ADMINISTRATOR SEEKING TO DISALLOW CERTAIN AMENDED AND/OR SUPERSEDED CLAIMS**

Pursuant to 28 U.S.C. § 1746, I, Scott A. Rinaldi, hereby declare as follows:

I am a Managing Director with FTI Consulting, Inc. ("**FTI**"). FTI is the financial advisor to the Plan Administrator.[1] The Plan Administrator has duly authorized me to make and submit this declaration (the "**Declaration**") in support of the *Thirty-Fourth Omnibus Objection of Plan Administrator Seeking to Disallow Certain Amended and/or Superseded Claims* (the "**Objection**").

Except as otherwise indicated, all facts set forth in this Declaration are based on my personal knowledge, upon information supplied to me by the Plan Administrator's employees and the Plan Administrator's other professionals, upon information learned from the review of relevant documents by me and the FTI team that works with me on this engagement, or based upon my opinion through my experience and knowledge gained during the claims reconciliation process in the Chapter 11 Cases. If called upon to testify, I can and will testify

[1] Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Objection (as defined below).

competently to the facts set forth herein, including that I, or employees of FTI under my supervision and direction, personally reviewed the Amended/Superseded Claims and the Surviving Claims listed on Exhibit A attached to the Objection as part of the claims reconciliation process in the Chapter 11 Cases.

Based upon such review, whether or not the Surviving Claims specifically state on their face that they are amendments of the corresponding Amended/Superseded Claims, I believe that each Amended/Superseded Claim listed on Exhibit A has been amended and/or superseded by the corresponding Surviving Claim listed on Exhibit A.

I declare under penalty of perjury that to the best of my knowledge the foregoing is true and correct.

Dated: October 18, 2013
New York, New York

/s/
Scott A. Rinaldi
Managing Director of FTI Consulting, Inc.

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