

Exhibit 1: Specific Objections and the Trustee’s Responses

1. Opposition of Thomas A. Butler Jr.		(Docket No. 246)
<u>Objection</u>	<u>Trustee’s Response</u>	
<ul style="list-style-type: none"> ▪ Where there is a definite time period set forth a time period that is needlessly long. (¶ 3) 	<ul style="list-style-type: none"> ▪ The proposed dates are the earliest dates practicable and does not preclude the Trustee from accepting, determining and satisfying claims on a rolling basis in advance of the deadlines. Dates have been adjusted as necessary due to the adjournment and the briefing schedule on the Limited Objections to the Claims Application. 	
<ul style="list-style-type: none"> ▪ The Trustee’s application sets forth no time estimates for most of the steps in the process, including the Trustee’s determination of the claims, the trustee’s satisfaction of approved claims, the filing by a claimant of a challenge to the Trustee’s determination and court review of same; and the reclassification of claims that are denied as customer claims entitled to share in customer property as secured or unsecured general creditor claims. (¶¶ 3-4) 	<ul style="list-style-type: none"> ▪ Not feasible or practicable to establish definite dates. ▪ Proposed formal claim objection procedures have been modified to allow for set timeframes related to formal objections procedures. (See Reply Ex. 4(G), p. 5 (clean version); Reply Ex.3(G), p. 5 (redline version) (“The Trustee shall, within 120 days of the date on which the claimant filed a written opposition to the Trustee’s determination, use his best effort to move the Court to set a time and date for a status conference regarding the claim determination dispute or to move to uphold his determination of the claim. . . . If within 120 days of the date that the claimant filed a written opposition, the Trustee does not either (i) request a status conference, or (ii) file a motion to uphold the determination, the claimant may then move the Court to set a time and date for a hearing on the claim determination dispute.”).) 	
<ul style="list-style-type: none"> ▪ The Proposed Order is vague about the length of time it will take to make final distributions. (¶¶ 3, 6) 	<ul style="list-style-type: none"> ▪ Not practical or feasible to establish set deadlines. 	

2. Limited Objection and Request for Clarification of George Lichtenstein		(Docket No. 249)
<u>Objection</u>	<u>Trustee’s Response</u>	
<ul style="list-style-type: none"> ▪ Customers should have certain specifically identifiable property returned and the Trustee should provide assurances that no property will be liquidated. (¶¶ 4, 7) 	<ul style="list-style-type: none"> ▪ Such procedures are being evaluated by the Trustee. ▪ Those who timely notified the Trustee that they have specifically identifiable property (“SIP”) will not have such property liquidated, as required by appropriate rule. 	
<ul style="list-style-type: none"> ▪ The Trustee should provide clear guidance as to the process of protection and return of customer property. (¶ 7) 	<ul style="list-style-type: none"> ▪ Notifications and instructions have been published and posted on the website, www.mfglobaltrustee.com. ▪ The Trustee has already established a designated call center for people to call and ask questions. ▪ Customers who timely notified the Trustee of the existence of SIP will be 	

Exhibit 1

<ul style="list-style-type: none"> ▪ The Trustee should establish clear procedures for dealing with customer property, including requests for return of specifically identifiable property. (¶ 7) 	<p>notified directly with further instructions.</p> <ul style="list-style-type: none"> ▪ Notifications and instructions have been published and posted on the website, www.mfglobaltrustee.com. ▪ Clear procedures provided in the amended Proposed Order. (See Reply Ex. 4(G) (clean version); Reply Ex. 3(G) (redline version).) ▪ The instructions for the claims form were revised to better identify the rights of customers with SIP. (See Reply Ex. 4(C) (Claim Form Instructions, p. 2) (clean version); Reply Ex. 3(C) (Claim Form Instructions, p. 2 (redline version)) (“<u>Please note that Item IV seeks information about “specifically identifiable property,” as defined in the Commodity Futures Trading Commission Part 190 Rules. Even if you have previously provided information to the Trustee regarding your “specifically identifiable property” you should nevertheless provide information about such property when completing and submitting your claim here. Full and complete information about your account will assist the Trustee in promptly satisfying your claim.</u>”).
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<p>3.</p>	<p>Objection of the Commodity Customer Coalition (Docket No. 251)</p>	
	<p><u>Objection</u></p>	<p><u>Trustee’s Response</u></p>
<ul style="list-style-type: none"> ▪ The Trustee’s plan does not necessarily account for the priority that commodity investors should receive. (¶¶ 5-6) 		<ul style="list-style-type: none"> ▪ Parallel proceedings proposed are appropriate as the pools of customer property for commodity futures customers and securities customers are separate and distinct.
<ul style="list-style-type: none"> ▪ The Trustee should not exercise discretion as to whether or not make certain distributions. (¶ 8) 		<ul style="list-style-type: none"> ▪ The Trustee requires discretion in order to more ably respond to unique situations.
<ul style="list-style-type: none"> ▪ It makes almost no sense to begin a claims process for creditor claims. No creditor claims should be processed . . . until 100% of customer funds held in customer segregated accounts have been returned. (¶ 9) 		<ul style="list-style-type: none"> ▪ SIPA imposes an absolute bar date for <u>all claims</u> of six months after the publication of the Notice of Commencement. Non-customer general creditors also require timely notice. ▪ The Trustee has no obligation to review the claims of general creditors unless he determines that there will be a meaningful general estate distribution. 11 U.S.C. § 704(a)(5); 15 U.S.C. § 78fff-1(b).
<ul style="list-style-type: none"> ▪ The Trustee does not intend to meet with creditors (or, really, customers) until well into the process. These meetings should take place right now. (¶ 10) 		<ul style="list-style-type: none"> ▪ The Trustee has established a call center for customer questions and maintains a website, www.mfglobaltrustee.com, which is updated frequently. ▪ The January 12, 2012 date allows proper notice to all and allows for scheduling a large meeting venue around the holidays.
<ul style="list-style-type: none"> ▪ The final flaw in the Trustee’s plan is simply the amount of time it will take to return the property of MFGI’s customers. (¶ 12) 		<ul style="list-style-type: none"> ▪ The Trustee will review and determine claims on a rolling basis and intends to make interim distributions, as practical.

Exhibit 1

	<ul style="list-style-type: none"> ▪ It is not practical or feasible to establish set shorter deadlines, as the investigations are ongoing. ▪ Customers are entitled to a reasonable claims period in which to file their claims but does not preclude the Trustee from accepting, determining and satisfying claims on a rolling basis in advance of the deadlines.
<ul style="list-style-type: none"> ▪ MFGI customers should have the right to form an <i>Ad Hoc</i> Committee to work with the Trustee and either propose an alternative plan or help modify the current plan. (¶ 13) 	<ul style="list-style-type: none"> ▪ The Trustee has worked with individuals on an informal basis and will continue to do so and while the Trustee intends to explore all options for making additional transfers and distributions outside the expedited claims process, it is not practical or feasible to eliminate the claims procedure, nor is it authorized by the governing law.

4.	Limited Objection of Dearborn Capital (Docket No. 252)	
	<p style="text-align: center;"><u>Objection</u></p> <ul style="list-style-type: none"> ▪ The Segregated Commodities Account Holders believe that at least 80% of their property in their accounts should be immediately distributed. (¶ 3) ▪ The claims procedures are too lengthy and lack any deadline for the Trustee to complete his analysis and evaluation of the claims submitted. (¶¶ 4-5) ▪ The Trustee’s motion provides for a multi-month claims resolution procedure which limits discovery and other rights of creditors and grants the Trustee wide latitude to settle disputes without any oversight. (¶ 4) 	<p style="text-align: center;"><u>Trustee’s Response</u></p> <ul style="list-style-type: none"> ▪ The Trustee has already transferred significant amounts of customer property, and is continuing such efforts, through Court-approved bulk transfers, and will continue to do so, to the extent practically and legally appropriate, in a manner that is both expeditious and prudent. ▪ Final determinations on individual requests for the return of property outside of a formal claims process is not feasible or authorized under SIPA, the Bankruptcy Code, and the CFTC Part 190 Regulations. ▪ Not practical or feasible to establish set deadlines while investigations are ongoing. ▪ Proposed formal claim objection procedures have been modified to require the Trustee to use best efforts to act within 120 days of the claimant filing a written opposition to the Trustee’s claim determination and establish procedures therewith. (<i>See</i> Reply Ex. 4(G), p. 5 (clean version); Reply Ex. 3(G), pp. 5-6 (redline version)) (“The Trustee shall, within 120 days of the date on which the claimant filed a written opposition to the Trustee’s determination, use his best effort to move the Court to set a time and date for a status conference regarding the claim determination dispute or to move to uphold his determination of the claim.” and “Prior to the Trustee’s filing of a motion to uphold his determination, or the claimant’s allowed motion for a hearing, no discovery or other motion practice shall occur regarding the Trustee’s determination of claim or facts giving rise to such determination, absent prior Court approval.”). ▪ The Trustee requires discretion in order to more ably respond to unique

Exhibit 1

		situations and resolve objections without judicial intervention.
5.	Motion for an 80% Distribution of Dearborn Capital (Docket No. 253)	
	<u>Objection</u>	<u>Trustee's Response</u>
<ul style="list-style-type: none"> ▪ Customers should have access to 80% of their Cash/Liquid Assets. (¶ 38) 	<ul style="list-style-type: none"> ▪ The Trustee has already transferred significant amounts of customer property, and is continuing such efforts, through Court-approved bulk transfers, and will continue to do so, to the extent practically and legally appropriate, in a manner that is both expeditious and prudent. ▪ Final determinations on individual requests for the return of property outside of a formal claims process is not feasible or authorized under SIPA, the Bankruptcy Code, and the CFTC Part 190 Regulations. 	
<ul style="list-style-type: none"> ▪ The Claims Procedure Motion subjects customers and their property to a traditional bankruptcy claims adjudication process. (¶ 24) 	<ul style="list-style-type: none"> ▪ Applicable regulations provide for a claims process and require that customers file a written proof of claim. <i>See</i> 15 U.S.C. § 78fff-2(a)(2); 11 U.S.C. § 342(a)(1); 17 C.F.R. § 190.02(b)(4) and (d). 	
<ul style="list-style-type: none"> ▪ The Claims Procedure Motion fails to provide customers with any visibility as to the likelihood of an interim distribution in the near future. (¶¶ 24, 26) 	<ul style="list-style-type: none"> ▪ It is not practical or feasible to establish deadlines by which the Trustee must make partial interim distributions while investigations are ongoing. ▪ The Trustee will review and determine claims on a rolling basis, and intends, to the extent legally and practicably possible, to make partial interim distributions of customer property. 	
<ul style="list-style-type: none"> ▪ The lengthy procedures set forth by the Trustee, including the Notice of Commencement, the bar dates for claims, the meeting of customers and creditors, and the procedures adjudicating disputed claims, have no rational basis for affecting parties who have their liquidated Cash/Liquid Assets property being held by MFGI. (¶ 25) 	<ul style="list-style-type: none"> ▪ The proposed dates are the earliest dates practicable. Dates have been adjusted as necessary due to the adjournment and the briefing schedule on the Limited Objections to the Claims Application. ▪ Allowing sixty days for the bar date allows customers time to respond, and is parallel to the sixty-day SIPA-mandated notice period. The six-month bar date is set by law. ▪ The January 12, 2012 date for the meeting of customers and creditors allows for proper notice and allows for scheduling a large meeting venue around the holidays, and will supplement the Trustee's website, which is updated frequently. ▪ Proposed formal claim objection procedures have been modified to require the Trustee to use best efforts to act within 120 days of the claimant filing a written opposition to the Trustee's claim determination and establish procedures therewith. (<i>See</i> Reply Ex. 4(G), p. 5 (clean version); Reply Ex. 3(G), pp. 5-6 (redline version)) ("The Trustee shall, within 120 days of the date on which the claimant filed a written opposition to the Trustee's determination, use his best effort to move the Court to set a time and date for a status conference regarding the claim determination dispute or to move to uphold his determination of the claim." and "Prior to the Trustee's filing of 	

Exhibit 1

	a motion to uphold his determination, or the claimant’s allowed motion for a hearing, no discovery or other motion practice shall occur regarding the Trustee’s determination of claim or facts giving rise to such determination, absent prior Court approval.”.
<ul style="list-style-type: none"> ▪ The claims procedures do not make sense for MFGI’s commodity accountholders. (¶ 30) 	<ul style="list-style-type: none"> ▪ Claims processes are required under SIPA, the Bankruptcy Code, and the CFTC Part 190 Regulations.
<ul style="list-style-type: none"> ▪ The Claims Procedures Motion suggests that the possibility for an immediate (or proximate) interim distribution to Customers (at any level) will not occur. 	<ul style="list-style-type: none"> ▪ The Trustee hopes to make interim distributions to the extent practical and feasible, but cannot guarantee that such further distributions can be made.

6.	Limited Objection of Certain MF Global Inc. Claimants		(Docket No. 345)
	<u>Objection</u>	<u>Trustee’s Response</u>	
	<ul style="list-style-type: none"> ▪ The Trustee should establish expedited procedures for customer claimants who have received a disproportionately small return of their property. (II) 	<ul style="list-style-type: none"> ▪ Item II of the proposed claims form was amended to include questions that will allow the Trustee to determine if customers were included in a court-approved bulk transfer. To the extent the Trustee in is a position to “true-up” customers through other transfers or distributions, these changes will allow the Trustee to more easily identify such customers. (See Reply Ex. 4(C) (Claim Form, pp. 3-6) (clean version); Reply Ex. 3(C) (Claim Form, pp. 4-6) (redline version).) 	
	<ul style="list-style-type: none"> ▪ A customer is entitled to prompt determination whether its claim is disallowed and should be able to seek immediate review in the Bankruptcy Court. 	<ul style="list-style-type: none"> ▪ Allowing individual objectors unhampered rights to file motions and attendant discovery without giving the Trustee an opportunity to informally resolve the dispute or discuss orderly scheduling with the claimant would disrupt the Trustee’s orderly administration of the MFGI liquidation and hinder the Trustee’s ability to carry out his duties to all customers. ▪ Proposed formal claim objection procedures have been modified to require the Trustee to use best efforts to act within 120 days of the claimant filing a written opposition to the Trustee’s claim determination and establish procedures therewith. (See Reply Ex. 4(G), p. 5 (clean version); Reply Ex. 3(G), pp. 5-6 (redline version)) (“The Trustee shall, within 120 days of the date on which the claimant filed a written opposition to the Trustee’s determination, use his best effort to move the Court to set a time and date for a status conference regarding the claim determination dispute or to move to uphold his determination of the claim.” and “Prior to the Trustee’s filing of a motion to uphold his determination, or the claimant’s allowed motion for a hearing, no discovery or other motion practice shall occur regarding the Trustee’s determination of claim or facts giving rise to such determination, absent prior Court approval.”). The claimant may then move the Court. (See Reply Ex. 4(G), p. 5 (clean version); Reply Ex. 3(G), p. 5 (redline 	

Exhibit 1

	<p>version)) (“If within 120 days of the date that the claimant filed a written opposition, the Trustee does not either (i) request a status conference, or (ii) file a motion to uphold the determination, the claimant may then move the Court to set a time and date for a hearing on the claim determination dispute.”).</p> <ul style="list-style-type: none"> ▪ The Trustee serves an important gatekeeper function as he may determine overlapping issues on an omnibus basis.
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7.	Supplemental Statement of George Lichtenstein		(Docket No. 351)
	<u>Objection</u>	<u>Trustee’s Response</u>	
	<ul style="list-style-type: none"> ▪ The Trustee should provide a separate notice to customers who filed instructions for the return of specifically identifiable property (“SIP”) before November 15, 2011. This notice should make clear the interplay between the claims process, the customers’ rights, and the Trustee’s duties with respect to those who properly submitted SIP forms. (¶ 3(a)) 	<ul style="list-style-type: none"> ▪ The instructions for the claims form were revised to better identify the rights of customers with SIP. (See Reply Ex. 4(C) (Claim Form Instructions, p. 2) (clean version); Reply Ex. 3(C) (Claim Form Instructions, p. 2 (redline version)) (“Please note that Item IV seeks information about “specifically identifiable property,” as defined in the Commodity Futures Trading Commission Part 190 Rules. Even if you have previously provided information to the Trustee regarding your “specifically identifiable property” you should nevertheless provide information about such property when completing and submitting your claim here. Full and complete information about your account will assist the Trustee in promptly satisfying your claim.”). 	
	<ul style="list-style-type: none"> ▪ The Trustee should give notice that compliance with the November 15th deadline will not result in the liquidation of customer property. (¶ 3(b)) 	<ul style="list-style-type: none"> ▪ All timely requests were logged and as soon as the Trustee is able to reconcile what SIP was maintained by MFGI for its customers, those customers will be notified directly with instructions. 	

8.	Amended Objection of the Commodity Customer Coalition		(Docket No. 352)
	<u>Objection</u>	<u>Trustee’s Response</u>	
	<ul style="list-style-type: none"> ▪ The claims procedure is too cumbersome for commodities customers and ignores available data. The claim form can and should be married to the MF Global account statements and should be distributed along with a statement from MF Global’s back-office system. The Trustee can electronically generate a form and simply require customers to verify its accuracy. (¶¶ 2, 6-9) 	<ul style="list-style-type: none"> ▪ Applicable regulations provide for a claims process and require that customers file a written proof of claim. See 15 U.S.C. § 78fff-2(a)(2); 11 U.S.C. § 342(a)(1); 17 C.F.R. § 190.02(b)(4) and (d). ▪ This proposal presupposes the accuracy of MFGI’s recordkeeping, which has not been established. ▪ The amended claims forms better track the language of MFGI’s account statements to clarify the term “net-equity” and reduce customer confusion. (See Reply Ex. 3(C) (Claim Form, pp. 2-10) (redline version); Reply Ex. 4(C) (Claim Form, pp. 2-9) (clean version).) 	
	<ul style="list-style-type: none"> ▪ The current plan does not recognize the need to fill any shortfall 	<ul style="list-style-type: none"> ▪ The Trustee will explore all legally and practicably available options to 	

Exhibit 1

<p>in customers' accounts through asset liquidation and/or a claims process. (¶ 3)</p>	<p>marshal assets.</p> <ul style="list-style-type: none"> ▪ Quantifying and resolving the shortfall is a task for the weeks ahead and should not delay the claims process.
<ul style="list-style-type: none"> ▪ The Trustee has refused input from the industry. The CCC is filing a motion seeking the appointment of an Ad Hoc Committee, to be filled with industry experts who understand the plight of commodities customers and could provide expertise and funnel additional input to the Trustee on these and future issues. (¶ 4) 	<ul style="list-style-type: none"> ▪ The Trustee hosted a meet and confer session on November 17, 2011, and has reviewed the eight formal filings made in response to the Claims Application and 165 letters received by the Court, as well as numerous informal Limited Objections.

9.	<p>Proposal from Commodity Customer Coalition (Informal Email dated 11/17/11)</p>	
	<u>Objection</u>	<u>Trustee's Response</u>
	<ul style="list-style-type: none"> ▪ The funds should be disbursed under an alternative claims process that would require that: the funds email customers their account balances from their back-office Sungard or Rolf & Nolan systems, provide customers with five days to object to the balance and respond with remittance preferences. TBills should be liquidated and foreign currencies should be converted. Customers holding physicals should be contacted separately for liquidation or transfer. 	<ul style="list-style-type: none"> ▪ Applicable regulations provide for a claims process and require that customers file a written proof of claim. <i>See</i> 15 U.S.C. § 78fff-2(a)(2); 11 U.S.C. § 342(a)(1); 17 C.F.R. § 190.02(b)(4) and (d). ▪ This proposal presupposes the accuracy of MFGI's recordkeeping, which has not been established.

10.	<p>Recommendations of Cervino Capital Management (Informal Email dated 11/17/11)</p>	
	<u>Objection</u>	<u>Trustee's Response</u>
	<ul style="list-style-type: none"> ▪ The Trustee should clarify the meaning of "net equity" based on MF Global's statements 	<ul style="list-style-type: none"> ▪ The amended claims forms better track the language of MFGI's account statements to clarify the term "net-equity" and reduce customer confusion. (<i>See</i> Reply Ex. 3(C) (Claim Form, pp. 2-10) (redline version); Reply Ex. 4(C) (Claim Form, pp. 2-9) (clean version).)
	<ul style="list-style-type: none"> ▪ Put a Statement on the Epiq Systems Website that the Bankruptcy Process Largely Follows Part 190 of the CFTC's Regulations. 	<ul style="list-style-type: none"> ▪ Although not an objection to the claims application, the Trustee addressed this concern and added the requested language to the Trustee's website, www.mfglobaltrustee.com.
	<ul style="list-style-type: none"> ▪ Define "cash-only" accounts 	<ul style="list-style-type: none"> ▪ This term does not appear in the amended application.
	<ul style="list-style-type: none"> ▪ Distribute 60% of Ending Balance or Total Equity. 	<ul style="list-style-type: none"> ▪ The Trustee has already begun the process of returning customer property, through Court-approved bulk transfers, in a manner that is both expeditious and prudent.

Exhibit 1

		<ul style="list-style-type: none"> Final Determinations on individual requests for the return of property outside of a formal claims process is not feasible or authorized under SIPA, the Bankruptcy Code, and the CFTC Part 190 Regulations.
11.	Suggestion of David McCarthy (Informal Email dated 11/17/11)	
	<u>Objection</u>	<u>Trustee's Response</u>
	<ul style="list-style-type: none"> The proposed order should have a provision for the trustee to give a periodic status report, perhaps monthly, covering things like the claims received and determined, distributions made, the status of efforts to ascertain the extent to which customer segregated funds are missing, the trustee's intentions and plans going forward. 	<ul style="list-style-type: none"> The amended Proposed Order requires the filing of the first interim report within six months after the Notice of Commencement and at least every six months thereafter. (See Reply Ex. 3(G) (Proposed Order, p. 7) (redline version); Reply Ex. 4(G) (Proposed Order, p. 7) (clean version)) ("ORDERED that the Trustee shall file his first report pursuant to SIPA § 78fff-1(c) within six months after publication of the Notice of Commencement, and shall file interim reports at least every six months thereafter.") It is not an efficient use of the Trustee's resources to produce such reports more frequently, but the Trustee will continue to actively update the website www.mfglobaltrustee.com.)
12.	Suggestion of Shireen N. Owlia (Informal Email dated 11/16/11)	
	<u>Objection</u>	<u>Trustee's Response</u>
	<ul style="list-style-type: none"> Clarify the proposed question "How much was MF Global indebted to you on the filing day?" 	<ul style="list-style-type: none"> The Trustee replaced this question with clearer ones. (See Reply Ex. 4(C) (Claim Form, pp. 2-3) (clean version); Reply Ex. 3(C) (Claim Form, pp. 2-3) (redline version) ("A. MF Global Inc. was, as of the close of business on October 31, 2011, indebted to me for the total sum of \$_____.").
13.	Correspondence of Robert Vahouny (Docket No. 121)	
	<u>Objection</u>	<u>Trustee's Response</u>
	<ul style="list-style-type: none"> A claims process for segregated commodity customers is unlawful. 	<ul style="list-style-type: none"> Applicable regulations provide for a claims process and require that customers file a written proof of claim. See 15 U.S.C. § 78fff-2(a)(2); 11 U.S.C. § 342(a)(1); 17 C.F.R. § 190.02(b)(4) and (d).

Exhibit 1

14.	Correspondence of Gary L. Lovelady		(Docket No. 181)
	<u>Objection</u>	<u>Trustee's Response</u>	
	<ul style="list-style-type: none"> ▪ Priority should be given to commodity investors over securities investors because commodities investors do not have the same rights to insurance under SIPA. 	<ul style="list-style-type: none"> ▪ Parallel proceedings proposed are appropriate as the pools of customer property for commodity futures customers and securities customers are separate and distinct. 	
15.	Correspondence from Multiple Individuals		(Various Letters to Court as of 11/17/11)
	<u>Objection</u>	<u>Trustee's Response</u>	
	<ul style="list-style-type: none"> ▪ Customers should have immediate access to all or varying percentages of their property. 	<ul style="list-style-type: none"> ▪ The Trustee has already transferred significant amounts of customer property, and is continuing such efforts, through Court-approved bulk transfers, and will continue to do so, to the extent practically and legally appropriate, in a manner that is both expeditious and prudent. ▪ Final determinations on individual requests for the return of property outside of a formal claims process is not feasible or authorized under SIPA, the Bankruptcy Code, and the CFTC Part 190 Regulations. 	
16.	Correspondence from Multiple Individuals		(Docket Nos. 141, 258, 325, 333)
	<u>Objection</u>	<u>Trustee's Response</u>	
	<ul style="list-style-type: none"> ▪ Customers should receive priority over creditors. 	<ul style="list-style-type: none"> ▪ This objection is moot. SIPA, the Bankruptcy Code Commodity Broker Liquidation Provisions, and the CFTC Part 190 Regulations all grant priority to customers over general creditors. 	
17.	Objections/Concerns/Suggestions Raised During the Meet and Confer Session		(11/17/11 Meeting)
	<u>Objection</u>	<u>Trustee's Response</u>	
	<ul style="list-style-type: none"> ▪ The Trustee should clarify how the claim form will be applied to warehouse receipts. 	<ul style="list-style-type: none"> ▪ The instructions for the claims form were revised to better identify the rights of customers with SIP. (See Reply Ex. 4(C) (Claim Form Instructions, p. 2) (clean version); Reply Ex. 3(C) (Claim Form Instructions, p. 2 (redline version)) (“Please note that Item IV seeks information about “specifically identifiable property,” as defined in the Commodity Futures Trading Commission Part 190 Rules. Even if you have previously provided information to the Trustee regarding your “specifically identifiable property” you should nevertheless provide information about such property when completing and submitting your claim here. Full and 	

Exhibit 1

	<p><u>complete information about your account will assist the Trustee in promptly satisfying your claim.”).</u></p>
<ul style="list-style-type: none"> ▪ Priority should be given to claimants that did not receive a cash distribution but who have a large amount of cash in their account in addition to securities. 	<ul style="list-style-type: none"> ▪ Item II of the proposed claims form was amended to include questions that will allow the Trustee to determine if customers were included in a court-approved bulk transfer. To the extent the Trustee in is a position to “true-up” customers through other transfers or distributions, these changes will allow the Trustee to more easily identify such customers. (See Reply Ex. 4(C) (Claim Form, pp. 4-6) (redline version); Reply Ex. 3(C) (Claim Form, pp. 3-6) (clean version).)
<ul style="list-style-type: none"> ▪ The claim form should be simplified. 	<ul style="list-style-type: none"> ▪ The Trustee removed confusing language and introducing simpler and more focused questions. (See generally Reply Ex. 3(C) (redline version) and Reply Ex. 4(C) (clean version).)
<ul style="list-style-type: none"> ▪ The Trustee should distribute a worksheet or spreadsheet that will aid customers in filling out the form. 	<ul style="list-style-type: none"> ▪ The Trustee removed confusing language and introducing simpler and more focused questions. (See generally Reply Ex. 3(C) (redline version) and Reply Ex. 4(C) (clean version).) ▪ Customers are requested to include any additional information that they believe will aid the Trustee in determining their claim.
<ul style="list-style-type: none"> ▪ There should be clarity in the claim forms for account holders who trade in both domestic and foreign futures from the same account. 	<ul style="list-style-type: none"> ▪ Item I.B of the revised commodity customer claim form now contains questions related to the margining of Foreign Futures. (See Reply Ex. 4(C) (Claim Form, p. 3) (clean version); Reply Ex. 3(C) (Claim Form, p. 3) (redline version).) <p style="margin-left: 40px;">(<u>“B. If your account contained NO open trade equity or cash, cash equivalents, or other property associated with the margining of Foreign Futures (i.e., futures or options on futures traded on an exchange located outside of the United States), you may skip the rest of this question.”</u></p> <p style="margin-left: 40px;"><u>“1. If, on October 31, 2011, your account contained open trade equity of – or cash, cash equivalents, or other property (including margin) associated with – Foreign Futures (i.e., futures or options on futures traded on an exchange located outside of the United States), please identify the amounts of equity and cash, cash equivalents, or other property (and specify the currency and/or convert to USD) for each (use additional paper, as needed):”</u>).</p>
<ul style="list-style-type: none"> ▪ The Trustee should clarify the question “How much was MF Global indebted to you on the filing day?” 	<ul style="list-style-type: none"> ▪ This question was replaced with clearer questions in Item I.A. of the claim form such as “Please state your beginning and ending account balance . . .” (See Reply Ex. 4(C) (Claim Form, p. 2-3) (clean version); Reply Ex. 3(C)

Exhibit 1

	<p>(Claim Form, pp. 2-3) (redline version)) (“A. MF Global Inc. was, as of the close of business on October 31, 2011, indebted to me for the total sum of \$ _____.”).”).</p>
<ul style="list-style-type: none"> ▪ Priority should be given to individuals that were not covered by the two transfer motions. The claim form should include a question that triggers immediate review. 	<ul style="list-style-type: none"> ▪ Item II of the proposed claims form was amended to include questions that will allow the Trustee to determine if customers were included in a court-approved bulk transfer. To the extent the Trustee in is a position to “true-up” customers through other transfers or distributions, these changes will allow the Trustee to more easily identify such customers. (See Reply Ex. 3(C) (Claim Form, pp. 4-6) (redline version); Reply Ex. 4(C) (Claim Form, pp. 3-6) (clean version).)
<ul style="list-style-type: none"> ▪ The use of 10/31/11 as the reference date for calculating the amount claimed is problematic. 	<ul style="list-style-type: none"> ▪ Addition of a series of questions in Item II addressing account activity either initiated by the claimant or otherwise that affected the claimant’s account on or after October 31, 2011 will allow claimant to provide all information necessary to correctly value the claim. (See Reply Ex. 3(C) (Claim Form, pp. 4-6) (redline version); Reply Ex. 4(C) (Claim Form, pp. 3-6) (clean version).)
<ul style="list-style-type: none"> ▪ The funds should be disbursed under an alternative claims process that would require that the Trustee to distribute account statements from SunGard and provide customers with five days to object to the balance. After five days, the Trustee should distribute 60% immediately off the books and records. Alternatively, the claim form process should be run in conjunction with and supplemented by SunGard information. 	<ul style="list-style-type: none"> ▪ Applicable regulations provide for a claims process and require that customers file a written proof of claim. See 15 U.S.C. § 78fff-2(a)(2); 11 U.S.C. § 342(a)(1); 17 C.F.R. § 190.02(b)(4) and (d). ▪ This proposal presupposes the accuracy of MFGI’s recordkeeping, which has not been established.
<ul style="list-style-type: none"> ▪ The formal claim objection procedures should be clarified. If there is a contested claim, the Trustee should move to affirm the Trustee’s position and the claimant should have an opportunity to respond. The Trustee should agree to bring on the motions within a set time. Alternatively, the claimant should have the option to bring their own motion to determine the validity of their claim. 	<ul style="list-style-type: none"> ▪ Proposed formal claim objection procedures have been modified to require the Trustee to use best efforts to act within 120 days of the claimant filing a written opposition to the Trustee’s claim determination and establish procedures therewith. (See Reply Ex. 4(G), p. 5 (clean version); Reply Ex. 3(G), pp. 5-6 (redline version)) (“<u>The Trustee shall, within 120 days of the date on which the claimant filed a written opposition to the Trustee’s determination, use his best effort to move the Court to set a time and date for a status conference regarding the claim determination dispute or to move to uphold his determination of the claim.</u>” and “<u>Prior to the Trustee’s filing of a motion to uphold his determination, or the claimant’s allowed motion for a hearing, no discovery or other motion practice shall occur regarding the Trustee’s determination of claim or facts giving rise to such determination, absent prior Court approval.</u>”). The claimant may then move the Court. (See Reply Ex. 4(G), p. 5 (clean version); Reply Ex. 3(G), p. 5 (redline version)) (“<u>If within 120 days of the date that the claimant filed a written opposition, the Trustee does not either (i) request a status conference, or (ii) file a motion to uphold the determination, the claimant may then move the</u>

Exhibit 1

	<p>Court to set a time and date for a hearing on the claim determination dispute.”).</p> <ul style="list-style-type: none"> ▪ Allowing individual objectors unhampered rights to file motions and attendant discovery without giving the Trustee an opportunity to informally resolve the dispute or discuss orderly scheduling with the claimant would disrupt the Trustee’s orderly administration of the MFGI liquidation and hinder the Trustee’s ability to carry out his duties to all customers. ▪ The Trustee serves an important gatekeeper function as he may determine overlapping issues on an omnibus basis.
<ul style="list-style-type: none"> ▪ Movants should have a collateral right to file a motion, perhaps subject to a minimum threshold such as \$250,000. 	<ul style="list-style-type: none"> ▪ Proposed formal claim objection procedures have been modified to require the Trustee to use best efforts to act within 120 days of the claimant filing a written opposition to the Trustee’s claim determination and establish procedures therewith. (See Reply Ex. 4(G), p. 5 (clean version); Reply Ex. 3(G), pp. 5-6 (redline version)) (“The Trustee shall, within 120 days of the date on which the claimant filed a written opposition to the Trustee’s determination, use his best effort to move the Court to set a time and date for a status conference regarding the claim determination dispute or to move to uphold his determination of the claim.” and “Prior to the Trustee’s filing of a motion to uphold his determination, or the claimant’s allowed motion for a hearing, no discovery or other motion practice shall occur regarding the Trustee’s determination of claim or facts giving rise to such determination, absent prior Court approval.”). The claimant may then move the Court. (See Reply Ex. 4(G), p. 5 (clean version); Reply Ex. 3(G), p. 5 (redline version)) (“If within 120 days of the date that the claimant filed a written opposition, the Trustee does not either (i) request a status conference, or (ii) file a motion to uphold the determination, the claimant may then move the Court to set a time and date for a hearing on the claim determination dispute.”). ▪ Allowing individual objectors unhampered rights to file motions and attendant discovery without giving the Trustee an opportunity to informally resolve the dispute or discuss orderly scheduling with the claimant would disrupt the Trustee’s orderly administration of the MFGI liquidation and hinder the Trustee’s ability to carry out his duties to all customers. ▪ The Trustee serves an important gatekeeper function as he may determine overlapping issues on an omnibus basis.
<ul style="list-style-type: none"> ▪ The Trustee should prioritize determinations based on the size of the claimed amount. 	<ul style="list-style-type: none"> ▪ The law requires the Trustee to treat all customers equitably. He will not agree to prioritize customers with larger claims over those with smaller claims.
<ul style="list-style-type: none"> ▪ The Trustee should clarify the interaction between the specifically identifiable property claims filings and this claim 	<ul style="list-style-type: none"> ▪ The instructions for the claims form were revised to better identify the interplay between the claims process and the rights of customers that timely

Exhibit 1

<p>form.</p>	<p>filed SIP claim forms. (<i>See</i> Reply Ex. 4(C) (Claim Form Instructions, p. 2) (clean version); Reply Ex. 3(C) (Claim Form Instructions, p. 2 (redline version)) (“<u>Please note that Item IV seeks information about “specifically identifiable property,” as defined in the Commodity Futures Trading Commission Part 190 Rules. Even if you have previously provided information to the Trustee regarding your “specifically identifiable property” you should nevertheless provide information about such property when completing and submitting your claim here. Full and complete information about your account will assist the Trustee in promptly satisfying your claim.</u>”).</p>
<ul style="list-style-type: none"> ▪ The Trustee should clarify whether a “sub-account” counts as a separate account. 	<ul style="list-style-type: none"> ▪ Further guidance provided in the instructions. (<i>See</i> Reply Ex. 3(C) (Instructions, p. 2) (redline version); Reply Ex. 4(C) (Instructions, p. 2) (clean version)) (“A separate claim form must be filed for each account. <u>If your account is a “master account” consisting of sub-accounts, you should claim the sub-accounts on a consolidated basis, and submit one claim form for the “master account”, but note the existence of the sub-accounts in the information regarding “related accounts” in Item (III.E).</u>”).
<ul style="list-style-type: none"> ▪ The claim form should include the question “Did you file a request for the return of specifically identifiable property?” 	<ul style="list-style-type: none"> ▪ The amended forms now ask if claimants separately identified any such potentially SIP to the Trustee. (<i>See</i> Reply Ex. 4(C) (Claim Form, p. 11) (clean version); Reply Ex. 3(C) (Claim Form, p. 11) (redline version).) <p style="margin-left: 40px;">“C. <u>If you checked any boxes in (IV.B.1-7), above, did you separately identify any such potentially “Specifically Identifiable Property” to the Trustee by written or electronic mail on or before November 15, 2011?</u>”</p>
<ul style="list-style-type: none"> ▪ The claim form should be amended to allow some level of generality to account for future situations. 	<ul style="list-style-type: none"> ▪ The instructions for completing the claim form and the claim form were amended to allow claimants to submit further explanation and detail regarding their claims and accounts. (<i>See</i> Reply Ex. 3(C) (Instructions, p. 1) (redline version); Reply Ex. 4(C) (Instructions, p. 1) (clean version); Reply Ex. 3(C) (Claim Form, p. 2) (redline version); Reply Ex. 4(C) (Claim Form, p. 2) (clean version).) <p>“<u>In addition to the specific items and information sought in the enclosed commodity futures customer claim form, you should provide further explanation and detail regarding your claim and your account, as necessary, to aid the Trustee in the prompt satisfaction of your claim.</u>”</p> <p style="text-align: center;"><u>“NOTE: If needed, please provide a detailed description on a signed attachment of the basis for your answers below, and attach</u></p>

Exhibit 1

	<p><i><u>any supporting documentation you have. If you do not provide sufficient details, you may be sent a deficiency letter seeking additional information.”.)</u></i></p>
<ul style="list-style-type: none">▪ The claim form should be modified to use or refer to terminology utilized on the MF Global account statements.	<ul style="list-style-type: none">▪ The amended claims forms better track the language of MFGI’s customers’ daily and monthly statements. (See Reply Ex. 3(C) (Claim Form, pp. 2-10) (redline version); Reply Ex. 4(C) (Claim Form, pp. 2-9) (clean version).)
<ul style="list-style-type: none">▪ The Trustee should provide more information available to securities account holders.	<ul style="list-style-type: none">▪ Website, www.mfglobaltrustee.com, has been and will continue to be updated frequently.