

*March 15, 2012*

The Honorable Louis Freeh  
Chapter 11 Trustee, MF Global Holdings, Ltd,  
c/o Freeh Group International Solutions, LLC  
1185 Avenue of the Americas, 30th Floor  
New York, NY 10036

Dear Judge Freeh:

We are deeply troubled by media reports that you are considering seeking permission of the court to pay enormous bonuses to top executives of the now-bankrupt MF Global Holdings. It is difficult to understand why you would even consider paying anyone a bonus while nearly \$1.6 billion in customer money is still missing. And it is absolutely outrageous to propose paying bonuses to the very people who were responsible for the firm's operational, legal, and financial management at the time customer money disappeared.

A fundamental principle of commodities trading is that the firm's money must be accounted for separately and segregated from customer money. Throughout the long history of futures markets, no firm has ever lost customer money of this magnitude – until MF Global. The failure of senior management in this case is truly unprecedented.

When one of these executives testified before our committee, under oath, he admitted that, knowing what he knows now, he could not certify that MF Global had appropriate financial controls in place.

Most egregiously, the proposed bonuses could not only reduce the amount of money available to repay MF Global customers, but the bonuses would be based on how much these executives have been able to recover for the firm's creditors, not the firm's customers. The executives who would receive these bonuses should be held accountable for the failure of their company, not rewarded for diverting even more money away from customers.

Thousands of MF Global customers still have not received their missing money. Giving bonus checks to the very people who lost that money is offensive on its face. We strongly urge you to reconsider your decision to seek bonus pay for MF Global executives.

Sincerely,

Sen. Debbie Stabenow (D-MI), *Chairwoman*  
Sen. Pat Roberts (R-KS), *Ranking Member*  
Sen. Max Baucus (D-MT)  
Sen. Michael Bennet (D-CO)  
Sen. John Boozman (R-AR)  
Sen. Sherrod Brown (D-OH)  
Sen. Robert Casey, Jr. (D-PA)  
Sen. Saxby Chambliss (R-GA)  
Sen. Thad Cochran (R-MS)  
Sen. Sen. Kent Conrad (D-ND)  
Sen. Kirsten Gillibrand (D-NY)  
Sen. Chuck Grassley (R-IA)  
Sen. Tom Harkin (D-IA)

Sen. John Hoeven (R-ND)  
Sen. Mike Johanns (R-NE)  
Sen. Amy Klobuchar (D-MN)  
Sen. Patrick Leahy (D-VT)  
Sen. Richard Lugar (R-IN)  
Sen. Mitch McConnell (R-KY)  
Sen. Benjamin Nelson (D-NE)  
Sen. John Thune (R-SD)