

---

# Hughes Hubbard & Reed

## Lehman Trustee Awarded Billions

### News & Events

Hughes Hubbard & Reed LLP • A New York Limited Liability Partnership  
One Battery Park Plaza • New York, New York 10004-1482 • +1 (212) 837-6000

Attorney advertising. Readers are advised that prior results do not guarantee a similar outcome. No aspect of this advertisement has been approved by the Supreme Court of New Jersey. For information regarding the selection process of awards, please visit <https://www.hugheshubbard.com/legal-notice-methodologies>.

---

Hughes Hubbard, representing James W. Giddens, as Trustee for the SIPA liquidation of Lehman Brothers Inc. (“LBI”), won a major victory in its litigation against Barclays Capital Inc. (“Barclays”). U.S. Bankruptcy Judge James M. Peck awarded the Trustee an estimated \$4.8 billion of the \$7 billion in assets in dispute between LBI and Barclays.

Hughes Hubbard had argued that the Court should enforce the Sale Orders that authorized the September 2008 sale of certain Lehman assets to Barclays and should uphold the Trustee’s contractual right to three categories of assets that Barclays claimed it obtained in the sale. These disputed assets included Margin Assets (approximately \$4 billion), Rule 15c3-3 Assets (approximately \$0.769 billion), and Clearance Box Assets (approximately \$2.3 billion). The Trustee prevailed on two of the three disputed assets — the Margin and Rule 15c3-3 Assets — resulting in an award to the LBI estate of \$4.8 billion. The award will aid in the Trustee’s statutory goal of returning property to the estate’s public customers.

Separately, the Lehman holding company (“LBHI”) and the Creditors’ Committee for the LBHI estate (the “Committee”) had pursued a different theory at trial, arguing pursuant to Federal Rule of Civil Procedure 60(b) that Barclays had improperly obtained a \$5 billion “hidden discount” in the Lehman sale. The Trustee joined the argument, but did not litigate the issue at trial or in its briefings. The Court ultimately rejected this theory and denied the Rule 60(b) motions of all movants. The denial of the Rule 60(b) motions was less significant for Hughes Hubbard, as the Court found the Trustee had prevailed on his contractual arguments regarding the Margin Assets and Rule 15c3-3 Assets.

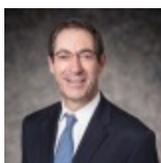
The litigation team was led by Bill Maguire, with support from Neil Oxford, Seth Rothman, John Wood, George Davidson, Stephen Luger, Carl Mills, Fara Tabatabai, Sam McCoubrey, Amina Hassan and Betsy Pierce. The team also included paralegals Lauren Lipari, Kelly Donnoe and Harrison Taylor. In the months prior to the trial Jim Kobak, Chris Kiplok, and Anson Frelinghuysen were deposed by Barclays. Jim Kobak also testified at trial and was cross-examined for two days by David Boies. Both the Securities Investor Protection Corporation and the U.S. Securities and Exchange Commission filed amicus briefs with the Court in support of certain of the Trustee’s arguments.

"I whole-heartedly believe that the Judge's comments that the trial was a 'showcase of outstanding advocacy uniformly conducted at the highest professional level' is especially true for our trial team that worked with unwavering energy and resolve," Giddens said. "I hope you will all join me in celebrating this victory and congratulating the team on a job well done!"

## Related People



**James W. Giddens**



**William R. Maguire**



**Neil J. Oxford**



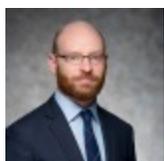
**Seth D. Rothman**



**George Davidson**



**Stephen Luger**



**Carl W. Mills**



**Fara Tabatabai**



**Amina Hassan**



**James B. Kobak, Jr.**



**Christopher K. Kiplok**



**Anson B. Frelinghuysen**

## Related Areas of Focus

Corporate Reorganization & Bankruptcy  
Litigation