

GLEACHER & COMPANY, INC.  
Form PRRN14A  
April 26, 2013

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SCHEDULE 14A  
(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

(Amendment No. 1)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Under Rule 14a-12

Gleacher & Company, Inc.  
(Name of Registrant as Specified in Its Charter)

Clinton Relational Opportunity Master Fund, L.P.  
Clinton Magnolia Master Fund, Ltd.  
Clinton Spotlight Master Fund, L.P.  
Clinton Relational Opportunity, LLC  
Clinton Group, Inc.  
George E. Hall  
Scott Arnold  
Joseph A. De Perio  
Russell P. Echlov  
Lee Fensterstock  
Bruce M. Greenwald  
Kenneth Grossman  
Frederick W. Hatfield  
Thomas J. Hughes

Adrian P. Kingshott  
Tracy B. McKibben  
Raymond C. Mikulich  
Donald H. Putnam

(Name of Persons(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
  - Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
-

(1) Title of each class of securities to which transaction applies:

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(2) Aggregate number of securities to which transaction applies:

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(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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(4) Proposed maximum aggregate value of transaction:

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(5) Total fee paid:

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.. Fee paid previously with preliminary materials:

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.. Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

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(1) Amount previously paid:

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(2) Form, Schedule or Registration Statement No.:

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(3) Filing Party:

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(4) Date Filed:

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PRELIMINARY COPY SUBJECT TO COMPLETION  
DATED APRIL 26, 2013

GLEACHER & COMPANY, INC.

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PROXY STATEMENT

OF

CLINTON RELATIONAL OPPORTUNITY MASTER FUND, L.P.

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PLEASE SIGN, DATE AND MAIL THE ENCLOSED GREEN PROXY CARD TODAY

This Proxy Statement and the enclosed GREEN proxy card are being furnished by Clinton Relational Opportunity Master Fund, L.P. (“CREL”), Clinton Magnolia Master Fund, Ltd. (“CMAG”), Clinton Spotlight Master Fund, L.P. (“SPOT”), Clinton Relational Opportunity, LLC (“CRO”), Clinton Group, Inc. (“CGI”), Mr. George E. Hall (“Mr. Hall” and together with CREL, CMAG, SPOT, CRO and CGI, “Clinton,” “we” or “us”) and its nominees listed below in connection with the solicitation of proxies (the “Proxy Solicitation”) from the stockholders of Gleacher & Company, Inc. (the “Company” or “Gleacher”).

For the reasons set forth in this proxy statement, we believe the Company’s stockholders deserve a choice in the election of the board of directors of the Company (the “Board”). We are therefore seeking your support at the upcoming annual meeting of stockholders (the “Annual Meeting”), scheduled to be held at the offices of the Company, located at 1290 Avenue of the Americas, New York, NY 10104, at 9:00 a.m., local time, on May 23, 2013, with respect to the following (each, a “Proposal” and, collectively, the “Proposals”):

1. To elect Clinton’s slate of nine director nominees, [Scott Arnold, Joseph A. De Perio, Russell P. Echlov, Lee Fensterstock, Bruce M. Greenwald, Kenneth Grossman, Frederick W. Hatfield, Thomas J. Hughes, Adrian P. Kingshott, Tracy B. McKibben, Raymond C. Mikulich and Donald H. Putnam] (the “Nominees” and together with Clinton, the “Participants”), for a term of one year, in opposition to the nominees of [MatlinPatterson FA Acquisition LLC];
2. To consider and act upon a proposal to amend the Company’s Amended and Restated Certificate of Incorporation to effect a reverse stock split;
3. To consider and act upon a proposal to amend, if and when the reverse stock split is approved and effected, the Company’s Amended and Restated Certificate of Incorporation to proportionally decrease the number of authorized shares of the Company’s common stock;
4. To approve, on an advisory basis, the compensation of the Company’s named executive officers;
- 5.

To ratify the appointment of PricewaterhouseCoopers LLP as the independent registered public accounting firm of the Company for the fiscal year ending December 31, 2013; and

6. To transact such other business that may properly come before the Annual Meeting.
-

The Company has set the record date for determining stockholders entitled to notice of and to vote at the Annual Meeting as April 17, 2013 (the "Record Date"). The mailing address of the principal executive offices of the Company is 1290 Avenue of the Americas, New York, New York 10104. Stockholders of record at the close of business on the Record Date will be entitled to vote at the Annual Meeting. According to the Company, as of the Record Date, there were 122,980,847 shares of Common Stock, par value \$0.01 per share (the "Common Stock"), outstanding and entitled to vote at the Annual Meeting. As of the Record Date, Clinton, together with the other Participants in this Proxy Solicitation, beneficially owned 9,785,661 shares of Common Stock, which represents approximately 7.7% of the outstanding Common Stock. We intend to vote such shares of Common Stock FOR the election of the Nominees, FOR the proposal to amend the Company's Amended and Restated Certificate of Incorporation to effect a reverse stock split, FOR the proposal to, if and when the reverse stock split is effected, proportionally decrease the number of authorized shares of Common Stock, ABSTAIN on the advisory vote on executive compensation, and FOR the ratification of the appointment of PricewaterhouseCoopers LLP, in each case as described herein.

This proxy statement and GREEN proxy card are first being mailed or given to the Company's stockholders on or about [\_\_\_\_], 2013.

The Company has not nominated any candidates for election as directors at the Annual Meeting. According to the Company's proxy statement, [MatlinPatterson FA Acquisition LLC] has stated that it may propose its own director nominees at the Annual Meeting, but we do not know whether it will in fact nominate individuals for election as directors at the Annual Meeting or solicit proxies for that purpose.

THIS PROXY SOLICITATION IS BEING MADE BY THE PARTICIPANTS AND NOT ON BEHALF OF THE BOARD OR MANAGEMENT OF THE COMPANY, [MATLINPATTERSON FA ACQUISITION LLC] OR ANY OTHER THIRD PARTY. THE PARTICIPANTS ARE NOT AWARE OF ANY OTHER MATTERS TO BE BROUGHT BEFORE THE ANNUAL MEETING OTHER THAN AS DESCRIBED HEREIN. SHOULD OTHER MATTERS, WHICH THE PARTICIPANTS ARE NOT AWARE OF A REASONABLE TIME BEFORE THE DATE OF THIS PROXY STATEMENT, BE BROUGHT BEFORE THE ANNUAL MEETING, THE PERSONS NAMED AS PROXIES IN THE ENCLOSED GREEN PROXY CARD WILL VOTE ON SUCH MATTERS IN THEIR DISCRETION.

CLINTON URGES YOU TO SIGN, DATE AND RETURN THE GREEN PROXY CARD IN FAVOR OF THE ELECTION OF ITS NOMINEES.

IF YOU HAVE ALREADY SENT A PROXY CARD FURNISHED BY MANAGEMENT OF THE COMPANY, BY [MATLINPATTERSON FA ACQUISITION LLC] OR BY ANY OTHER THIRD PARTY, YOU MAY REVOKE THAT PROXY AND VOTE FOR THE ELECTION OF CLINTON'S NOMINEES, FOR THE PROPOSAL TO AMEND THE COMPANY'S AMENDED AND RESTATED CERTIFICATE OF INCORPORATION TO EFFECT A REVERSE STOCK SPLIT, FOR THE PROPOSAL TO, IF AND WHEN THE REVERSE STOCK SPLIT IS EFFECTED, PROPORTIONALLY DECREASE THE NUMBER OF AUTHORIZED SHARES OF COMMON STOCK, ABSTAIN ON THE ADVISORY VOTE ON EXECUTIVE COMPENSATION, AND FOR THE RATIFICATION OF PRICEWATERHOUSECOOPERS LLP AS THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM OF THE COMPANY, BY SIGNING, DATING AND RETURNING THE ENCLOSED GREEN PROXY CARD. THE LATEST DATED PROXY IS THE ONLY ONE THAT COUNTS. ANY PROXY MAY BE REVOKED AT ANY TIME PRIOR TO THE ANNUAL MEETING BY DELIVERING A WRITTEN NOTICE OF REVOCATION OR A LATER DATED PROXY FOR THE ANNUAL MEETING TO CLINTON RELATIONAL OPPORTUNITY MASTER FUND, L.P., C/O OKAPI PARTNERS LLC, 437 MADISON AVENUE, 28TH FLOOR, NEW YORK, NEW YORK 10022, WHICH IS ASSISTING IN THIS PROXY SOLICITATION, OR TO THE SECRETARY OF THE COMPANY, OR BY VOTING IN PERSON AT THE ANNUAL MEETING.



**IMPORTANT  
PLEASE READ THIS CAREFULLY**

If your shares of Common Stock are registered in your own name, please vote today by signing, dating and returning the enclosed GREEN proxy card in the postage-paid envelope provided.

If you hold your shares of Common Stock in “street” name with a bank, broker firm, dealer, trust company or other nominee, only that nominee can exercise the right to vote with respect to the shares of Common Stock that you beneficially own through such nominee and only upon receipt of your specific instructions. Accordingly, it is critical that you promptly give instructions to your bank, broker firm, dealer, trust company or other nominee to vote in favor of the election of the Nominees and the other Proposals. Please follow the instructions to proxy provided on the enclosed GREEN proxy card. If your bank, broker firm, dealer, trust company or other nominee provides for proxy instructions to be delivered to them by telephone or Internet, instructions will be included on the enclosed GREEN proxy card. We urge you to confirm in writing your instructions to the person responsible for your account and provide a copy of those instructions to Clinton Relational Opportunity Master Fund, L.P., c/o Okapi Partners LLC, 437 Madison Avenue, 28th Floor, New York, New York 10022, so that we will be aware of all instructions given and can attempt to ensure that such instructions are followed.

Execution and delivery of a proxy by a record holder of shares of Common Stock will be presumed to be a proxy with respect to all shares held by such record holder unless the proxy specifies otherwise.

Only holders of record of shares of Common Stock as of the close of business on the Record Date will be entitled to vote on the Proposals. If you are a stockholder of record as of the close of business on the Record Date, you will retain your right to vote even if you sell your shares of Common Stock after the Record Date.

The Company intends to count “broker non-votes” as present for purposes of determining the presence or absence of a quorum for the transaction of business. A non-vote occurs when a nominee holding shares for a beneficial owner votes on one proposal, but does not vote on another proposal because the nominee does not have discretionary voting power and has not received instructions from the beneficial owner. According to the Company’s proxy statement, abstentions and “broker non-votes” will not be treated as votes cast. Accordingly, for Proposals 2 and 3, abstentions and “broker non-votes” will have the same effect as an “AGAINST” vote but will have no effect on the outcome of voting on the other Proposals.

If you have any questions regarding your GREEN proxy card or need assistance in executing your proxy, please contact Okapi Partners LLC at (212) 297-0720 or Toll-Free at (877) 629-6355.

## INFORMATION ON THE PARTICIPANTS

This Proxy Solicitation is being made by CREL, a Cayman Islands exempted limited partnership; CMAG, a Cayman Islands exempted company; SPOT, a Cayman Islands exempted limited partnership; CRO, a Delaware limited liability company, which serves as the investment manager to CREL; CGI, a Delaware corporation, which serves as the investment manager to CMAG and SPOT and is the sole member of CRO; Mr. Hall, a United States citizen, who serves as Chief Executive Officer of CGI; and each of the Nominees, [Scott Arnold, Joseph A. De Perio, Russell P. Echlov, Lee Fensterstock, Bruce M. Greenwald, Kenneth Grossman, Frederick W. Hatfield, Thomas J. Hughes, Adrian P. Kingshott, Tracy B. McKibben, Raymond C. Mikulich and Donald H. Putnam].

The principal business of CREL, CMAG and SPOT is to invest in securities, the principal business of CGI and CRO is to provide investment management services to funds, private individuals and institutions and the principal business of Mr. Hall is to serve as Chief Executive Officer of CGI. The principal business of each Nominee is disclosed in the section titled "PROPOSAL 1 – ELECTION OF DIRECTORS" on page [ ].

The principal business address of Clinton is 601 Lexington Avenue, 51st Floor, New York, New York 10022. The principal business address of each Nominee is disclosed in the section titled "PROPOSAL 1 – ELECTION OF DIRECTORS" on page [ ].

As of the date of this filing, the Participants beneficially own an aggregate of 9,785,661 shares of Common Stock, constituting approximately 7.7% of the shares of Common Stock outstanding, as follows: (a) 2,148,547 shares of Common Stock are beneficially owned (as such term is defined in Rule 13d-3 under the Securities Exchange Act of 1934 (the "Exchange Act")) by CREL, 5,000 shares of which are owned by CREL in record name; (b) 356,501 shares of Common Stock are beneficially owned by CMAG; (c) 1,434,002 shares of Common Stock are beneficially owned by SPOT; (d) 2,148,547 shares of Common Stock may be deemed to be beneficially owned by CRO, by virtue of its investment management agreement with CREL; (e) 4,273,819 shares of Common Stock may be deemed to be beneficially owned by CGI, by virtue of investment management agreements with CMAG and SPOT, its ownership of CRO and a sub-advisory agreement governing a portion of a mutual fund portfolio ("CASF") that beneficially owns 334,769 shares of Common Stock; (f) 4,273,819 shares of Common Stock may be deemed to be beneficially owned by Mr. George Hall, by virtue of his direct and indirect control of CGI, CRO, CREL, CMAG, SPOT and CASF; (g) 5,000 shares of Common Stock are beneficially owned by Scott Arnold, a Nominee, jointly with his wife; (h) 2,800,175 shares of Common Stock are beneficially owned by Lee Fensterstock, a Nominee, including shares underlying vested options; (i) 40,000 shares of Common Stock are beneficially owned by Kenneth Grossman, a Nominee; and (j) 2,666,667 shares of Common Stock are beneficially owned by Thomas J. Hughes, a Nominee, including shares underlying restricted stock units and options that have vested or will vest within 60 days. Please see Annex I for all transactions in Common Stock effectuated by the Participants during the past two years.

The Participants may be deemed to have formed a "group," within the meaning of Section 13(d)(3) of the Exchange Act. Collectively, the group may be deemed to beneficially own a combined 9,785,661 shares of Common Stock, constituting approximately 7.7% of the outstanding shares of Common Stock.

Except as set forth in this proxy statement (including the Annexes hereto), (i) during the past ten years, no Participant has been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors); (ii) no Participant directly or indirectly beneficially owns any securities of the Company; (iii) no Participant owns any securities of the Company which are owned of record but not beneficially; (iv) no Participant has purchased or sold any securities of the Company during the past two years; (v) no part of the purchase price or market value of the securities of the Company owned by any Participant is represented by funds borrowed or otherwise obtained for the purpose of acquiring or holding such securities; (vi) no Participant is, or within the past year was, a party to any contract, arrangements or understandings with any person with respect to any securities of the Company, including, but not limited to, joint ventures, loan or option arrangements, puts or calls, guarantees against loss or guarantees of profit, division of losses or profits, or the giving or withholding of proxies; (vii) no associate of any Participant owns beneficially, directly or indirectly, any securities of the Company; (viii) no Participant owns beneficially, directly or indirectly, any securities of any parent or subsidiary of the Company; (ix) no Participant or any of his, her or its associates was a party to any transaction, or series of similar transactions, since the beginning of the Company's last fiscal year, or is a party to any currently proposed transaction, or series of similar transactions, to which the Company or any of its subsidiaries was or is to be a party, in which the amount involved exceeds \$120,000; (x) no Participant or any of his, her or its associates has any arrangement or understanding with any person with respect to any future employment by the Company or its affiliates, or with respect to any future transactions to which the Company or any of its affiliates will or may be a party; and (xi) no person, including any of the Participants, who is a party to an arrangement or understanding pursuant to which the Nominees are proposed to be elected has a substantial interest, direct or indirect, by security holdings or otherwise in any matter to be acted on as set forth in this proxy statement. There are no material proceedings to which any Participant or any of his, her or its associates is a party adverse to the Company or any of its subsidiaries or has a material interest adverse to the Company or any of its subsidiaries. With respect to each of the Participants, except as set forth in this proxy statement, none of the events enumerated in Item 401(f)(1)-(8) of Regulation S-K of the Exchange Act occurred during the past ten years.

## REASONS FOR OUR SOLICITATION

The Company has concisely summarized its current, tenuous state of affairs in its Annual Report on Form 10-K for the year ended December 31, 2012:

“In recent years, we have incurred losses and experienced significant turnover, including among our senior management and business leaders of our operating segments, as well as a number of departures, generally, throughout the ranks of our organization. Most recently, we have experienced several events that have adversely affected business operations and resulted in a further deterioration of our financial results.... [U]ncertainties regarding the implications of our net losses and management and employee turnover have been aggravated by the absence of a strategic alternative, the departure of [Former Chairman Eric] Gleacher, the departures of key personnel and a prospective turnover on our Board, resulting in further questions regarding the stability and strategic direction of the Company and adversely affecting relations with both our clients and our employees. A number of our trading customers have reduced or suspended trading activities with us, adversely impacting our revenues. Moreover, at least in part because of the perceived instability of our business, new investment banking mandates have dwindled. These events have weakened employee morale, which may lead to additional resignations. As a result, we have experienced a significant decline in revenue, and we cannot predict when, or if, we will be able to reduce or reverse this decline and associated losses.”

Stockholders have suffered a precipitous decline in the value of their investment in the Company. On March 31, 2013, the Company’s stock closed at \$0.60, down 55.9% and 85.0% over the past one- and three-year periods, respectively, and over 93.0% from its five-year high of \$9.02.

We believe that Gleacher is a broken company, but not one that is beyond repair.

The current business plan has not been and is not working. Management is now exiting some of the businesses the Company had been pursuing, such as its fixed income business. We believe this is a good first step. But more needs to be done.

In our view, there are only two viable alternatives to help stockholders protect their value. The first is a liquidation and distribution of the Company’s assets. We understand that some stockholders favor this approach. We believe it is not optimal because of the significant long-term lease, compensation, and data services obligations, plus the destruction of value and goodwill associated with the Company’s brand, vendor and client relationships, tax attributes (such as the Company’s net operating loss carryforwards), public company status and infrastructure.

We favor a second alternative. We believe that new, objective and highly qualified directors can help the Company execute a rapid rebirth, driving profitability through a fast turnaround plan that focuses on new areas of financial services. If elected, and subject to their fiduciary duties to all stockholders, we expect that our Nominees would expeditiously pursue a strategy to:

- re-build the Company around money management and proprietary investing, with some related investment banking and other services;
- raise additional capital;
- liquidate residual positions from the Company’s legacy business;
- reduce overhead and expenses; and
-

preserve and maximize the value of the Company's meaningful net operating loss carryforwards and other tax attributes.

We firmly believe that Gleacher has a valuable brand and that there is a significant opportunity to use the brand and other corporate attributes to establish a differentiated and successful investment manager. In our view, Gleacher's strong brand, valuable and liquid assets, significant tax attributes, and public company status, coupled with favorable market and regulatory conditions, offer a unique and attractive opportunity to create a publicly-traded asset manager with the capacity to generate a consistent source of revenue and profitability.

We have nominated a slate of highly qualified individuals, all but one of whom does not work for the Company, to consider all of the facts objectively and to determine, in the due exercise of their estimable business judgment, the best course forward to maximize value of the Company's equity. The Nominees together have decades of experience and expertise from their financial, investment, regulatory and directorship roles and will endeavor to take the steps necessary to reverse the Company's downward trajectory, with the aim of swiftly returning Gleacher to profitability and maximizing value for all stockholders.

## BACKGROUND OF THE PROXY SOLICITATION

We initially invested in Gleacher because we believed the stock was undervalued and represented a potentially profitable investment opportunity, including through the pursuit of a new strategic direction for the Company. We believed then, and believe now, that significant value can be created for all stockholders through our proposed strategic plan, which we believe our Nominees have the experience and expertise to execute successfully for the benefit of all stockholders.

In the fall of 2012, George E. Hall, Chief Executive Officer of CGI, had an in-person meeting with John Griff, the Company's Chief Operating Officer, to discuss the Company's performance and future prospects.

In November 2012, Mr. Hall spoke with a representative of the Company's financial advisor which had been engaged to assist the Company in exploring and evaluating strategic alternatives. Mr. Hall inquired about the strategic alternatives process and requested that Clinton be included in the process. Clinton did not receive any further response from the Company's financial advisor following this discussion.

In early March 2013, representatives of Clinton spoke with representatives of Gleacher to discuss Clinton's views about the Company's business plan and strategic direction.

On March 20, 2013, Clinton sent a letter to the Board requesting that the Company reopen the period during which stockholders of the Company may submit advance notice of an intention to nominate directors at the Annual Meeting.

On March 22, 2013, representatives of Clinton had an in-person meeting with Mark R. Patterson and Christopher R. Pechock, both directors of the Company, to discuss Clinton's views regarding the Company's strategic direction.

On March 28, 2013, Clinton sent a letter to the Board urging the Board to adopt a tax benefit preservation plan to help preserve the value of the Company's significant net operating loss carryforwards and other tax attributes.

On April 8, 2013, in accordance with the Company's Bylaws, CREL delivered a notice to the Company indicating its intent to nominate candidates to stand for election to the Board at the Annual Meeting.

On April 9, 2013, representatives of Clinton participated in a telephone conference with Henry S. Bienen, Robert A. Gerard and Bruce Rohde, directors of the Company, and Patricia A. Arciero-Craig, the Company's General Counsel, to discuss Clinton's views regarding the Company's strategic direction and the importance of adopting a tax benefit preservation plan.

PROPOSAL 1  
ELECTION OF DIRECTORS

The Board consists of nine seats, currently with one vacancy. According to the Company’s definitive proxy statement on Schedule 14A filed with the Securities and Exchange Commission (the “SEC”) on April 26, 2013 in connection with the Annual Meeting (the “Company’s Proxy Statement”), the terms of nine directors expire at the Annual Meeting. If it remains the case that the terms of only nine directors will expire at the Annual Meeting, we will withdraw three of our Nominees.

The Company has not nominated any candidates for election as directors at the Annual Meeting. We are seeking your support at the Annual Meeting to elect our Nominees in opposition to [MatlinPatterson FA Acquisition LLC’s] director nominees. If successful in our Proxy Solicitation, then the Board will be composed solely of the Nominees.

Name and Business

Address

Age Principal Occupation For Past Five Years and Directorships

Scott Arnold  
c/o Clinton Group Inc.  
601 Lexington Avenue  
51st Floor  
New York, New York  
10022

55 Scott Arnold has served as Senior Portfolio Manager, Private Equity & ABS with CGI since May 2007. Mr. Arnold heads CGI’s effort in the community bank space. He is also involved in the portfolio management of all asset-backed strategies at CGI. Prior to joining CGI’s ABS desk he was involved in research, restructuring and principal investing in distressed debt and special situations investments at both CGI and Source Capital Group, a boutique investment firm. From 1983 to 1999, Mr. Arnold worked in the mortgage backed securities area at several leading investment banks including Salomon Brothers and Smith Barney. Mr. Arnold currently is Chairman of the Board of Urban Trust Bank, a federally chartered community bank that provides value oriented consumer and commercial banking services through an extensive network of branches in Florida, and was previously a director of Herald National Bank until its merger with BankUnited. Mr. Arnold earned a B.A. from Northwestern University and his Masters of Management from the Kellogg School of Management at Northwestern.

Mr. Arnold’s qualifications as a director include his nearly 30 years of investment and asset-backed strategy experience, in addition to his distressed debt and special situations investments experience.

Joseph A. De Perio  
c/o Clinton Group Inc.  
601 Lexington Avenue  
51st Floor  
New York, New York  
10022

34 Joseph A. De Perio has been a senior member of the portfolio management team of CGI from June 2006 to December 2007, serving as Vice President, Activist Investments and Long/Short Equity and Private Equity, and from October 2010 to the present, serving as Senior Portfolio Manager, Activist Investments and Private Equity. As a senior portfolio manager at CGI, Mr. De Perio is involved in all aspects of portfolio management for the public equity and private equity strategies at CGI, including

origination, trading, structuring and research. From December 2007 to September 2010, he was a Vice President at Millennium Management, L.L.C., a global investment management firm, executing a public equity strategy. Prior to his work in hedge funds, Mr. De Perio was an associate at Trimaran Capital Partners, a middle-market private equity investment fund, where he originated, executed and monitored leveraged buyout and growth equity investments in the healthcare, technology and consumer industries. Mr. De Perio was also an associate and an analyst in the Mergers and Acquisitions department of CIBC Oppenheimer. Mr. De Perio has served as the Vice Chairman and President of ROI Acquisition Corporation (Nasdaq: ROIQ), a company formed for the purpose of acquiring one or more businesses or assets, since its inception in September 2011. Mr. De Perio has also served on the board of directors of Overland Storage, Inc. (Nasdaq: OVRL), a global provider of unified data management and data protection solutions, since April 2011. Mr. De Perio previously served on the board of directors of Viking Systems, Inc. (OTC: VKNG), a developer, manufacturer and marketer of visualization solutions for complex, minimally invasive surgery, from June 2011 until its sale to Conmed Corporation in October 2012.

Mr. De Perio's qualifications as a director include his extensive experience in corporate finance, including as an investment analyst and portfolio manager in private equity and public equity, his strong understanding of corporate finance and strategic business planning activities, and his significant experience advising and investing in public companies.

Russell P. Echlov  
c/o Spring Hill Capital  
Partners, LLC  
1095 Avenue of the  
Americas  
26th Floor  
New York, New York  
10036

- 38 Russell P. Echlov has been a Principal at Spring Hill Capital Partners, LLC, a merchant banking firm with sector focus on Financial Institutions, Structured Products and Real Estate, since September 2010. At Spring Hill Capital Partners, Mr. Echlov is responsible for sourcing, structuring and managing opportunistic investments within the financial services sector. From March 2009 to September 2010, he was a Partner at Columbia Financial Partners L.P., a private investment company formed by Alan Fishman with three partners to invest in and operate a distressed financial services company, raising over \$1 billion of capital commitments. From 2002 to February 2009, he served as a Senior Analyst at Stadia Capital, a long/short hedge fund acquired by Morgan Stanley in May 2007. Mr. Echlov received an A.B. from Dartmouth College.

Mr. Echlov's qualifications as a director include his significant financial and investment industry background.

Lee Fensterstock  
c/o Fensterstock  
Associates, LLC  
445 Lafayette Street  
New York, New York  
10003

- 65 Lee Fensterstock has served as the Chairman and Chief Executive Officer of Fensterstock Associates, LLC, an investment firm he founded in November 2010. Previously, he served as Chief Executive Officer and a director of the Company from September 2007 to February 2010 and as Chairman of the Board from September 2007 to June 2009. Prior to joining the Company, Mr. Fensterstock had extensive securities industry experience, including as President and Chief Operating Officer of Gruntal & Co., a regional broker dealer, and earlier as Executive Vice President, Capital Markets for PaineWebber, responsible for PaineWebber's sales and trading business worldwide. He also served as a member of the Board of Directors of PaineWebber Inc. In February 2001, Mr. Fensterstock founded and was Chairman and Co-Chief Executive Officer of Bonds Direct Securities LLC, a market maker in investment grade fixed income instruments for institutional investors, until its sale to Jefferies Group. Thereafter, from October 2004 until March 2007, Mr. Fensterstock was a Managing Director at Jefferies & Co., co-heading its fixed income division. From April 2012 to July 2012, he served as the Chairman and Chief Executive Officer of Marco Polo Capital Markets LLC, a provider of financial services for global investors which filed for bankruptcy protection in December 2012. Mr. Fensterstock is currently a

Trustee of The George Washington University. Mr. Fensterstock received a B.A. from Queens College and an M.B.A. from the University of Rochester.

Mr. Fensterstock's qualifications as a director include his past experience as the Chairman and Chief Executive Officer of the Company and his extensive securities industry experience and knowledge of the Company's business.

Bruce M. Greenwald  
c/o AEP Capital LLC  
900 Third Avenue  
33rd Floor  
New York, New York  
10022

66 Bruce M. Greenwald has been a Senior Managing Director of AEP Capital LLC, a firm engaged in merchant banking and merger and acquisition advisory services, since June 2008. From October 1989 to June 2008, Mr. Greenwald was associated with Alpine Capital Group, an affiliated group of companies providing merchant banking and merger and acquisition advisory services, most recently as a Senior Managing Director. Prior to joining Alpine Capital, Mr. Greenwald was a partner with Arthur Young & Company (a predecessor to Ernst & Young) where, in addition to serving a broad base of the firm's Fortune 500 clients, he served as the firm's director of taxes for the Northeast Region and also was a member of the firm's national tax operating committee. Mr. Greenwald was a director of American Community Newspapers Inc., a community newspaper publisher, from July 2005 to July 2009.

Mr. Greenwald's qualifications as a director include his extensive merchant banking and M&A experience.

Kenneth Grossman  
18 Norfolk Road  
Great Neck, New York  
11020

57 Kenneth Grossman served as President of Signature Group Holdings, Inc., a diversified business and financial services enterprise ("Signature"), from August 2011 to April 2012 and as a director from June 2010 to July 2012. He has served as a consultant to Signature's chief executive officer since April 2012. Mr. Grossman has served as a director of Lehman Brothers Special Funding, Inc. from October 2012 to the present. From September 2008 to June 2009, Mr. Grossman served as a Managing Director at Ramius, LLC, a multi-billion dollar investment management firm, where he managed a distressed credit portfolio. Prior to that, he oversaw distressed debt and special situations portfolios at Del Mar Asset Management, LP, a multi-strategy investment fund, from October 2006 to April 2008, and at Alpine Associates LP, a risk arbitrage firm. Mr. Grossman has also been affiliated with Balfour Investors, Inc. and The Recovery Group, LP, where he began investing in distressed and special situations. Mr. Grossman began his career as an attorney with Shea & Gould specializing in bankruptcy, creditor's rights and commercial litigation. Mr. Grossman has also served on the boards of directors of T-Ink Inc., eLottery, Inc., Evercom Systems, Inc. (a/k/a Securus Technologies), Texas-New Mexico Power, Inc., and Roberts Consolidated Industries (Chairman). Additionally, he has served on numerous official and unofficial creditor and shareholder committees. Mr. Grossman holds a J.D. from George Washington University and a B.A. from Trinity College in Connecticut.

Mr. Grossman's qualifications as a director include his extensive experience as an investor specializing in troubled and distressed

situations and active participation in the financial and operational restructuring of numerous financially troubled companies.

- Frederick W. Hatfield 58 Frederick W. Hatfield is the founder of Hatfield Advisory  
c/o Hatfield Advisory Services, LLC, which assists companies to assess the impact of  
Services, LLC legislative and regulatory decisions and to develop strategies to  
1414 22nd Street, N.W. protect and enhance business opportunities, and has served as a  
Suite 25 Principal since May 2008. Mr. Hatfield has served as a director  
Washington, D.C. 20037 of IntercontinentalExchange, Inc. (NYSE: ICE) (“ICE”), a leading  
operator of regulated global markets and clearing houses which  
has agreed to acquire NYSE Euronext, since 2007 and is  
Chairman of its Regulatory Oversight Committee. Mr. Hatfield  
serves on the Board of Directors of ICE U.S. OTC Commodity  
Markets and ICE Futures U.S., Inc., of which he is Chairman of  
the Board, as well as the Board of Managers of ICE Clear Credit,  
all of which are subsidiaries of ICE. He served as a member of  
the Obama Economic Policy Advisory Committee and, prior  
thereto, as a Public Policy Advisor at Patton Boggs, LLP, an  
international law firm, from 2006 to 2007. Mr. Hatfield was  
Commissioner at the Commodity Futures Trading Commission  
from 2004 to 2006. Mr. Hatfield served as Chief of Staff to  
former Senator John Breaux (D-LA) from 1995 to 2004 and  
former House Majority Whip Tony Coelho (D-CA) from 1980 to  
1989.

Mr. Hatfield's qualifications as a director include his over 20 years of experience in the areas of commerce, energy and financial services, as well as his significant public company board experience.

Thomas J. Hughes  
c/o Gleacher &  
Company, Inc.  
1290 Avenue of the  
Americas  
New York, New York  
10104

55 Thomas J. Hughes was appointed as the Company's Chief Executive Officer as of May 2, 2011 and was elected to the Board at the 2011 Annual Meeting of Stockholders. From October 2010 to April 2011, Mr. Hughes served as a Special Advisor to the Board of Directors of LNR Property LLC, a diversified commercial real estate finance company, and from July 2007 to October 2010, Mr. Hughes served as Chairman and Chief Executive Officer of LNR Property LLC. From November 2005 to March 2006, he served as the President and Chief Operating Officer of CGI. From 2001 to 2005, he served as Chief Executive Officer of Deutsche Asset Management and was a member of the Deutsche Bank Group Executive Committee. Prior to joining Deutsche Bank, Mr. Hughes held a number of senior positions with Merrill Lynch. He began his career at Merrill Lynch in 1984 as a mortgage backed securities trader and was named Head of MBS Trading in 1987, where he rebuilt and expanded the mortgage department. During his tenure at Merrill Lynch, Mr. Hughes also became the global head of equity derivatives and convertible bond trading and in 1999 became the head of a newly created unit, Global Securities Financing. Mr. Hughes is also a Co-Founder of Fieldpoint Private Bank & Trust. Mr. Hughes has served as a member of the board for organizations and corporations including Soleil Corporation, the International Monetary Fund and Hospital for Special Surgery, and continues as a board member of the Cystic Fibrosis Foundation and The United States Merchant Marine Academy. Mr. Hughes graduated from The United States Merchant Marine Academy, earning a Bachelor of Science degree in Naval Architecture and Marine Engineering.

Mr. Hughes' qualifications as a director include his experience on the Board and service as Chief Executive Officer, his strong record of leadership and more than 25 years of experience in a broad array of investment banking, asset management, and real estate finance businesses, in addition to his service on the boards of various organizations and corporations.

Adrian P. Kingshott  
c/o Dominick &  
Dominick LLC  
150 E 52nd Street # 3  
New York, New York  
10022

53 Adrian P. Kingshott has served as the Chief Executive Officer of AdSon LLC, an advisor to corporations and institutional investors, since 2006. He has also served as an Advisory Director of Dominick & Dominick LLC, a wealth management and investment banking services provider, since November 2012. Previously, he served as an Advisory Director of The Bank Street Group LLC, a private investment banking firm

primarily serving growth companies in the communications, media and technology sectors, from 2009 to November 2012. He worked at Goldman, Sachs & Co. from 1984 to 2003, serving as a Managing Director in the Investment Banking Division and Co-Head of Leveraged Finance, among other positions. Mr Kingshott was a Managing Director and member of the Portfolio Management Committee of Amaranth Advisors between 2003 and 2006. Mr. Kingshott has served as a director of XPO Logistics, Inc. (NYSE: XPO), a non-asset based transportation services provider, since September 2011 and of Centre Lane Investment Corp., a specialty finance company focused on providing senior secured debt financing to middle-market companies, since May 2011. He is an adjunct professor of Finance and Investment Analysis at Fordham University's School of Business. He holds a master of business administration degree from Harvard Business School and a master of jurisprudence degree from Oxford University.

Mr. Kingshott's qualifications as a director include his significant financial and investment industry expertise as well as his public company board and corporate governance experience.