

OCT 31 2011

CIVIL COVER SHEET

The JS-44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for use of the Clerk of Court for the purpose of initiating the civil docket sheet.

PLAINTIFFS

Securities Investor Protection Corporation

ATTORNEYS (FIRM NAME, ADDRESS, AND TELEPHONE NUMBER)

Josephine Wang, General Counsel  
Kenneth J. Caputo, Associate General Counsel for Litigation  
Securities Investor Protection Corporation, 805 15th Street, N.W., Suite 800  
Washington, DC 20005-2215/ TELEPHONE (202) 371-8300

DEFENDANTS

MF Global Inc.

ATTORNEYS (IF KNOWN)

Skadden Arps Slate Meagher & Flom LLP  
4 Times Square  
New York, New York 10036  
TELEPHONE 212 753-3000

CAUSE OF ACTION (CITE THE U.S. CIVIL STATUTE UNDER WHICH YOU ARE FILING AND WRITE A BRIEF STATEMENT OF CAUSE)  
(DO NOT CITE JURISDICTIONAL STATUTES UNLESS DIVERSITY)

Application for Customer protective decree under the Securities Investor Protection Act, 15 U.S.C. 78aaa et seq.

Has this or a similar case been previously filed in SDNY at any time? No?  Yes?  Judge Previously Assigned \_\_\_\_\_

If yes, was this case Vol.  Invol.  Dismissed. No  Yes  If yes, give date \_\_\_\_\_ & Case No. \_\_\_\_\_

(PLACE AN [x] IN ONE BOX ONLY)

NATURE OF SUIT

TORTS

ACTIONS UNDER STATUTES

CONTRACT		PERSONAL INJURY		PERSONAL INJURY		FORFEITURE/PENALTY		BANKRUPTCY		OTHER STATUTES	
<input type="checkbox"/> 110	INSURANCE	<input type="checkbox"/> 310	AIRPLANE	<input type="checkbox"/> 362	PERSONAL INJURY-MED MALPRACTICE	<input type="checkbox"/> 610	AGRICULTURE	<input type="checkbox"/> 422	APPEAL 28 USC 158	<input type="checkbox"/> 400	STATE REAPPORTIONMENT
<input type="checkbox"/> 120	MARINE	<input type="checkbox"/> 315	AIRPLANE PRODUCT LIABILITY	<input type="checkbox"/> 365	PERSONAL INJURY PRODUCT LIABILITY	<input type="checkbox"/> 620	OTHER FOOD & DRUG	<input type="checkbox"/> 423	WITHDRAWAL 28 USC 157	<input type="checkbox"/> 410	ANTITRUST
<input type="checkbox"/> 130	MILLER ACT	<input type="checkbox"/> 320	ASSAULT, LIBEL & SLANDER	<input type="checkbox"/> 368	ASBESTOS PERSONAL INJURY PRODUCT LIABILITY	<input type="checkbox"/> 625	DRUG RELATED SEIZURE OF PROPERTY 21 USC 881			<input type="checkbox"/> 430	BANKS & BANKING
<input type="checkbox"/> 140	NEGOTIABLE INSTRUMENT	<input type="checkbox"/> 330	FEDERAL EMPLOYERS' LIABILITY MARINE			<input type="checkbox"/> 630	LIQUOR LAWS	<b>PROPERTY RIGHTS</b>		<input type="checkbox"/> 450	COMMERCE
<input type="checkbox"/> 150	RECOVERY OF OVERPAYMENT & ENFORCEMENT OF JUDGMENT MEDICARE ACT	<input type="checkbox"/> 340	MARINE	<b>PERSONAL PROPERTY</b>		<input type="checkbox"/> 640	RR & TRUCK	<input type="checkbox"/> 820	COPYRIGHTS	<input type="checkbox"/> 460	DEPORTATION
<input type="checkbox"/> 151		<input type="checkbox"/> 345	MARINE PRODUCT LIABILITY	<input type="checkbox"/> 370	OTHER FRAUD	<input type="checkbox"/> 650	AIRLINE REGS	<input type="checkbox"/> 830	PATENT	<input type="checkbox"/> 470	RACKETERR INFLUENCED CORRUPT ORGANIZATION ACT (RICO) CONSUMER CREDIT
<input type="checkbox"/> 152	RECOVERY OF DEFAULTED STUDENT LOANS (EXCL VETERANS)	<input type="checkbox"/> 350	MOTOR VEHICLE	<input type="checkbox"/> 371	TRUTH IN LENDING	<input type="checkbox"/> 660	OCCUPATIONAL SAFETY/HEALTH	<input type="checkbox"/> 840	TRADEMARK	<input type="checkbox"/> 480	
<input type="checkbox"/> 153	RECOVERY OF OVERPAYMENT OF VETERAN'S BENEFITS STOCKHOLDERS SUITS	<input type="checkbox"/> 355	MOTOR VEHICLE PRODUCT LIABILITY	<input type="checkbox"/> 380	OTHER PERSONAL PROPERTY DAMAGE PROPERTY DAMAGE PRODUCT LIABILITY	<input type="checkbox"/> 690	OTHER	<b>SOCIAL SECURITY</b>		<input type="checkbox"/> 490	CABLE/SATELLITETV
<input type="checkbox"/> 160		<input type="checkbox"/> 360	OTHER PERSONAL INJURY	<input type="checkbox"/> 385				<input type="checkbox"/> 861	HIA (1395ff)	<input type="checkbox"/> 810	SELECTIVE SERVICE
<input type="checkbox"/> 190	OTHER CONTRACT	<b>ACTIONS UNDER STATUTES</b>				<b>LABOR</b>		<input type="checkbox"/> 862	BLACK LUNG (923)	<input checked="" type="checkbox"/> 850	SECURITIES/ COMMODITIES/ EXCHANGE CUSTOMER CHALLENGE 12 USC 3410
<input type="checkbox"/> 195	CONTRACT PRODUCT LIABILITY FRANCHISE	<b>CIVIL RIGHTS</b>		<b>PRISONER PETITIONS</b>		<input type="checkbox"/> 710	FAIR LABOR STANDARDS ACT	<input type="checkbox"/> 863	D1WC/DIWW (405(g))	<input type="checkbox"/> 875	
<input type="checkbox"/> 196		<input type="checkbox"/> 441	VOTING	<input type="checkbox"/> 510	MOTION TO VACATE SENTENCE 28 USC 2255	<input type="checkbox"/> 720	LABOR/MGMT RELATIONS	<input type="checkbox"/> 864	SSID TITLE XVI	<input type="checkbox"/> 890	OTHER STATUTORY ACTIONS
	<b>REAL PROPERTY</b>	<input type="checkbox"/> 442	EMPLOYMENT	<input type="checkbox"/> 530	HABEAS CORPUS	<input type="checkbox"/> 730	LABOR/MGMT REPORTING & DISCLOSURE ACT RAILWAY LABOR ACT	<input type="checkbox"/> 865	RSI (405(g))	<input type="checkbox"/> 891	AGRICULTURE ACTS
<input type="checkbox"/> 210	LAND CONDEMNATION FORECLOSURE	<input type="checkbox"/> 443	HOUSING/ ACCOMODATIONS WELFARE	<input type="checkbox"/> 535	DEATH PENALTY	<input type="checkbox"/> 740	OTHER LABOR LITIGATION EMPL RET INC SECURITY ACT			<input type="checkbox"/> 892	ECONOMIC STABILIZATION ACT ENVIRONMENTAL MATTERS ENERGY ALLOCATION ACT
<input type="checkbox"/> 220		<input type="checkbox"/> 444		<input type="checkbox"/> 540	MANDAMUS & OTHER CIVIL RIGHTS	<input type="checkbox"/> 790		<b>FEDERAL TAX SUITS</b>		<input type="checkbox"/> 893	
<input type="checkbox"/> 230	RENT LEASE & EJECTMENT	<input type="checkbox"/> 445	AMERICANS WITH DISABILITIES- EMPLOYMENT	<input type="checkbox"/> 550		<input type="checkbox"/> 791		<input type="checkbox"/> 870	TAXES (U.S. Plaintiff or Defendant)	<input type="checkbox"/> 894	
<input type="checkbox"/> 240	TORTS TO LAND	<input type="checkbox"/> 446	AMERICANS WITH DISABILITIES-OTHER	<input type="checkbox"/> 555	PRISON CONDITION			<input type="checkbox"/> 871	IRS-THIRD PARTY 26 USC 7609	<input type="checkbox"/> 895	FREEDOM OF INFORMATION ACT
<input type="checkbox"/> 245	TORT PRODUCT LIABILITY	<input type="checkbox"/> 440	OTHER CIVIL RIGHTS			<b>IMMIGRATION</b>				<input type="checkbox"/> 900	APPEAL OF FEE DETERMINATION UNDER EQUAL ACCESS TO JUSTICE CONSTITUTIONALITY OF STATE STATUTES
<input type="checkbox"/> 290	ALL OTHER PERSONAL PROPERTY					<input type="checkbox"/> 462	NATURALIZATION APPLICATION			<input type="checkbox"/> 950	
						<input type="checkbox"/> 463	HABEAS CORPUS- ALIEN DETAINEE				
						<input type="checkbox"/> 465	OTHER IMMIGRATION ACTIONS				

Check if demanded in complaint:

CHECK IF THIS IS A CLASS ACTION UNDER F.R.C.P. 23

DO YOU CLAIM THIS CASE IS RELATED TO A CIVIL CASE NOW PENDING IN S.D.N.Y.? IF SO, STATE: \_\_\_\_\_

DEMAND \$ \_\_\_\_\_ OTHER \_\_\_\_\_ JUDGE \_\_\_\_\_ DOCKET NUMBER \_\_\_\_\_

Check YES only if demanded in complaint



JUDGE ENGELMAYER

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

11 CIV 7750

SECURITIES INVESTOR PROTECTION  
CORPORATION,

Plaintiff-Applicant,

v.

MF GLOBAL INC.,

Defendant.

Civil Action No.

2011 OCT 31 PM 3:50  
S.D. OF N.Y.

**COMPLAINT AND APPLICATION OF  
THE SECURITIES INVESTOR PROTECTION CORPORATION**

Plaintiff-Applicant Securities Investor Protection Corporation (“SIPC”) applies to this Court for a decree adjudicating that the customers of the Defendant MF Global Inc., are in need of the protections afforded under the Securities Investor Protection Act of 1970, as amended, 15 U.S.C. §78aaa et seq. (“SIPA”), and respectfully alleges the following:

1. SIPC is a nonprofit membership corporation created under SIPA.
2. The Defendant is a broker-dealer registered with the United States Securities and Exchange Commission (“Commission”), a member of the Financial Industry Regulatory Authority (“FINRA”), and a member of SIPC.
3. The Defendant has its principal office and place of business at 717 Fifth Avenue, New York, New York 10022.
4. This proceeding arises under SIPA, more particularly §§78eee(a)(3) and 78eee(b)(2), which confers jurisdiction over this proceeding and exclusive jurisdiction over the Defendant and its property on this Court, and upon issuance of a protective decree and

appointment of a trustee, removal of the entire liquidation proceeding to the court of the United States in the same judicial district having jurisdiction over cases under the Bankruptcy Code, i.e. the United States Bankruptcy Court for the Southern District of New York.

5. Upon sufficient information, including information supplied by the Commission, SIPC has determined that the Defendant has failed or is danger of failing to meet its obligations to its customers within the meaning of SIPA §78eee(a)(3)(A), and that there exists one or more of the conditions specified in SIPA §78eee(b)(1). Specifically, the Defendant is unable to meet its obligations as they mature.

6. Because of the above, the customers of the Defendant are in need of the protection provided by SIPA, and this Court should issue a protective decree pursuant to SIPA §78eee(b)(1).

7. SIPA §78eee(b)(3) provides that upon issuance of a protective decree, the court shall forthwith appoint as trustee for the liquidation of the business of the debtor and as counsel for the trustee, such persons as SIPC, in its sole discretion, designates. Pursuant to this authority, SIPC hereby designates James W. Giddens as Trustee, and Hughes Hubbard & Reed LLP as counsel for the Trustee, and requests that the Court make appointments to these positions in accordance with these designations.

8. The filing of this Complaint and Application operates, pursuant to 11 U.S.C. (“Bankruptcy Code”) §362(a), as an automatic stay with respect to actions enumerated in that section. Notice of the applicability of the automatic stay should be part of the Order for relief.

9. SIPA §78eee(b)(2)(B)(i) provides that the Court “shall stay any pending bankruptcy, mortgage foreclosure, equity receivership, or other proceeding to reorganize,

conserve, or liquidate the debtor or its property and any other suit against any receiver, conservator, or trustee of the debtor or its property. . . .” Such actions are also stayed by operation of Bankruptcy Code §362(a).

10. Pursuant to SIPA §78eee(b)(2)(B)(ii), the Court is empowered to stay “any proceeding to enforce a lien against property of the debtor or any other suit against the debtor.” SIPA §78eee(b)(2)(B)(iii) provides that the Court may stay “enforcement of . . . but shall not abrogate any right of setoff, except to the extent such right may be affected under section 553 of title 11, and shall not abrogate the right to enforce a valid, nonpreferential lien or pledge against the property of the debtor.” SIPA §78eee(b)(2)(C)(ii) provides that notwithstanding section 78eee(b)(2)(C)(i), the application by SIPC or any order or decree thereon “may operate as a stay of the foreclosure on, or disposition of, securities collateral pledged by the debtor, whether or not with respect to one or more of such contracts or agreements, securities sold by the debtor under a repurchase agreement, or securities lent under a securities lending agreement.”

11. The relief requested should be granted in order to safeguard and protect any property of the Defendant for the benefit of its customers and other creditors, and in the interest of an orderly liquidation of the Defendant’s business.

12. Pursuant to SIPA §78eee(b)(4), upon issuance of a protective decree, the Court shall order the removal of the entire liquidation proceeding to the court of the United States in this judicial district having jurisdiction over cases under the Bankruptcy Code, i.e., the United States Bankruptcy Court for the Southern District of New York.

13. SIPC has made no previous application to any Court for the relief requested.


**WHEREFORE**, SIPC respectfully requests entry of an order substantially in the form of Exhibit A attached hereto.

DATED: October 31, 2011

Respectfully submitted,

SECURITIES INVESTOR PROTECTION  
CORPORATION  
805 Fifteenth Street, N.W., Suite 800  
Washington, DC 20005  
Telephone: (202) 371-8300  
Facsimile: (202) 371-6728

JOSEPHINE WANG  
General Counsel  
E-mail: [jwang@sipc.org](mailto:jwang@sipc.org)



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KENNETH J. CAPUTO  
Senior Associate General Counsel  
E-mail: [kcaputo@sipc.org](mailto:kcaputo@sipc.org)