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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re

MF GLOBAL INC.,

Debtor.

Case No. 11-2790 (MG) SIPA

**TRUSTEE’S EX PARTE MOTION FOR ORDER SHORTENING TIME FOR NOTICE
OF THE HEARING TO CONSIDER TRUSTEE’S EXPEDITED APPLICATION FOR
ENTRY OF AN ORDER ESTABLISHING PARALLEL CLAIMS PROCESSES FOR
COMMODITY FUTURES CUSTOMER AND SECURITIES CUSTOMER CLAIMS;
APPROVING FORM AND MANNER OF PUBLICATION AND MAILING OF NOTICE
OF COMMENCEMENT; SPECIFYING PROCEDURES AND FORMS FOR FILING,
INFORMAL AND FORMAL DETERMINATION, AND ADJUDICATION OF CLAIMS;
FIXING A MEETING OF CUSTOMERS AND OTHER CREDITORS;
AND FIXING INTERIM REPORTING PURSUANT TO SIPA**

James W. Giddens (the “Trustee”), as Trustee for the liquidation of the business of MF Global Inc. (“MFGI” or the “Debtor”), under the Securities Investor Protection Act (“SIPA”), 15 U.S.C. § 78aaa *et seq.*,¹ by and through his undersigned counsel, hereby moves the court (the “Motion”), for entry of an order substantially in the form of Exhibit A hereto (the “Order”) under Rule 9006(c) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy

1. For convenience, subsequent references to SIPA will omit “15 U.S.C.”

Rules”) and Rule 9006-1(b) of the Local Bankruptcy Rules for the Southern District of New York (the “Local Rules”) shortening the time for notice of the hearing to consider the Trustee’s expedited application for entry of an order (1) establishing parallel claims processes for commodity futures customer and securities customer claims; (2) approving the form and manner of the publication and mailing of the notice of commencement of this proceeding; (3) specifying procedures and forms for the filing, determination, and adjudication of claims; (4) fixing a meeting of customers and other creditors; and (5) fixing an interim reporting procedure pursuant to SIPA (the “Claims Procedures Application”),² filed concurrently herewith and incorporated by reference. In support of this Motion, the Trustee respectfully represents as follows:

Background

1. On October 31, 2011 (the “Filing Date”), the Honorable Paul A. Engelmayer, United States District Court for the Southern District of New York, entered the Order Commencing Liquidation of MFGI (the “MFGI Liquidation Order”) pursuant to the provisions of SIPA in the case captioned Securities Investor Protection Corp. v. MF Global Inc., Case No. 11-CIV-7750 (PAE).

2. The MFGI Liquidation Order: (i) appointed the Trustee for the liquidation of the business of the Debtor pursuant to section 78eee(b)(3) of SIPA, and (ii) removed the case to this Court as required for SIPA cases by section 78eee(b)(4) of SIPA (the “SIPA Proceeding”).

2. Capitalized terms not otherwise defined herein shall have the meanings given to them in the Claims Procedures Application.

Jurisdiction & Venue

3. Following removal to this Court, this Court has “all of the jurisdiction, powers, and duties conferred by [SIPA] upon the court to which the application for the issuance of the protective decree was made.” SIPA section 78eee(b)(4).

4. Venue is proper in this Court pursuant to SIPA section 78eee(a)(3) and 15 U.S.C. § 78aa.

Relief Requested

5. By this Motion, the Trustee seeks entry of an order shortening the notice period for the Claims Procedures Application such that it may be heard by the court on November 16, 2011 at 3:30 p.m. (Prevailing Eastern Time).

Basis for Relief

6. Bankruptcy Rule 9006(c)(1) and Local Rule 9006-1(b) authorize the Court, for cause shown, to reduce the notice period required for a hearing. Here, ample cause exists to shorten the time for notice of the Claims Procedures Application and to grant this Motion on an ex parte basis.

7. Local Rule 9006-1(b) provides that unless the court orders otherwise, a motion must be served at least fourteen (14) days prior to the return date. Federal Rule of Bankruptcy Procedure 9006(c)(1) expressly provides that a bankruptcy court “for cause shown may in its discretion with or without motion or notice” reduce the time period for notice in all but several bankruptcy matters, none of which are applicable to the present case. In the exercise of its discretion under Bankruptcy Rule 9006(c)(1), a court must consider, primarily, the prejudice that potentially would result to parties entitled to notice if a reduction is effected, and weigh this against the reasons for shortening this period. In re Kings Falls Power Corp., 185 B.R. 431, 441 (Bankr. N.D.N.Y. 1995) (allowing shortened notice period because resolution of dispositive

motion was necessary prior to “blow-up” date of global settlement and was in the estate’s best interests); In re Chateaugay Corp., 111 B.R. 399, 407–408 (Bankr. S.D.N.Y. 1990) (shortening notice because ten days could impose “severe hardship” on parties in interest and six days would not prejudice defendant). Furthermore, section 102 of the Bankruptcy Code specifically indicates that “after notice and a hearing” means “after such notice as is appropriate in the particular circumstances, and such opportunity for a hearing as is appropriate in the particular circumstances....” 11 U.S.C. § 102(1)(A).

8. The Trustee seeks an expedited hearing on the Claims Procedures Application to establish separate, parallel, customer claims processes, one for MFGI’s commodity futures customers, and the other for its securities customers, as well as an additional claims process for MFGI’s general creditors. The Trustee, with this Court’s approval, will follow the procedures prescribed in SIPA for determining claims and making payments to securities customers, and, to the extent not inconsistent with SIPA, will utilize the procedures prescribed in the Commodity Broker Liquidation Provisions and the Part 190 Regulations for determining claims and making distributions to commodity futures customers, with the goal and full intention of making an interim distribution to customers, if feasible. General creditor claims will be treated in accordance with the Bankruptcy Code and SIPA. The expedited Claims Procedures Application is an important and necessary procedural step to accomplishing the prompt and efficient return of customer property.

9. For these reasons, it is imperative that the Claims Procedures Motion be approved on an expedited basis. To this end, ex parte relief is warranted so that the Claims Procedures Motion may be heard at the hearing already scheduled before this Court on November 16, 2011.

10. No parties in interest would be prejudiced by the shortened notice requested herein or by the approval of this Motion on an ex parte basis.

No Prior Request

11. No prior request for the relief sought in this Motion has been made to this or any other court.

Conclusion

WHEREFORE, the Trustee respectfully requests that the Court (a) enter an order substantially in the form attached hereto as Exhibit A, granting the relief requested herein; and (b) grant such other and further relief to the Trustee as the Court may deem proper.

Dated: November 15, 2011
New York, New York

HUGHES HUBBARD & REED LLP

By: /s/ James B. Kobak, Jr.

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Attorneys for James W. Giddens, Trustee for
the SIPA Liquidation of MF Global Inc.

EXHIBIT A

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re

MF GLOBAL INC.,

Debtor.

Case No. 11-2790 (MG) SIPA

**[PROPOSED] ORDER SHORTENING TIME FOR NOTICE OF THE HEARING TO
CONSIDER TRUSTEE’S EXPEDITED APPLICATION FOR ENTRY OF AN ORDER
ESTABLISHING PARALLEL CLAIMS PROCESSES FOR COMMODITY FUTURES
CUSTOMER AND SECURITIES CUSTOMER CLAIMS; APPROVING FORM AND
MANNER OF PUBLICATION AND MAILING OF NOTICE OF COMMENCEMENT;
SPECIFYING PROCEDURES AND FORMS FOR FILING, INFORMAL AND FORMAL
DETERMINATION, AND ADJUDICATION OF CLAIMS; FIXING
A MEETING OF CUSTOMERS AND OTHER CREDITORS;
AND FIXING INTERIM REPORTING PURSUANT TO SIPA**

Upon the Motion¹ dated November 15, 2011, of James W. Giddens (the “Trustee”), as Trustee for the liquidation of the business of MF Global Inc. (“MFGI” or the “Debtor”), pursuant to the Securities Investor Protection Act (“SIPA”), for entry of an order (this “Order”) under Bankruptcy Rule 9006(c) and Local Rule 9006-1(b) shortening the time for notice of hearing to consider the Trustee’s expedited application for entry of an order (1) establishing parallel claims processes for commodity futures customer and securities customer claims; (2) approving the form and manner of the publication and mailing of the notice of commencement of this proceeding; (3) specifying procedures and forms for the filing, determination, and adjudication of claims; (4) fixing a meeting of customers and other creditors; and (5) fixing an interim reporting procedure pursuant to SIPA (the “Claims Procedures Application”); and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with SIPA § 78eee(b)(4); and venue being proper before this Court

1. Capitalized terms not otherwise defined herein shall have the meanings given to them in the Motion.

pursuant to SIPA § 78eee(a)(3) and 15 U.S.C. § 78aa; and it appearing that the relief requested by the Motion is necessary and in the best interests of the estate, its customers, its creditors, and all parties in interest; and it appearing that no other or further notice is necessary except as provided herein; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein, it is hereby

ORDERED that the Motion is granted; and it is further

ORDERED that the hearing to consider the Claims Procedures Application shall be held on November 16, 2011 at 3:30 p.m. (Prevailing Eastern Time) before the Honorable Judge Glenn, One Bowling Green, New York, New York, 10004, Courtroom 501. The hearing on the Claims Procedures Application may be adjourned from time to time without further notice other than an announcement of the adjourned date or dates in open court. Notice of such adjourned date(s) will be available on the electronic case filing docket; and it is further

ORDERED that any responses (the “Responses”) to the approval of the Claims Procedures Application shall be filed and served so that they are received no later than by __:___ .m. (Prevailing Eastern Time) on November __, 2011 by the following parties (the “Notice Parties”):

- a) Hughes Hubbard & Reed LLP, counsel to the Trustee, at One Battery Park Plaza, New York, New York, 10004 (Attn: Christopher K. Kiplok, Esq., Jeffrey S. Margolin, Esq., and Eleni D. Theodosiou-Pisanelli, Esq.);
- b) the Securities Investor Protection Corporation (“SIPC”), 805 Fifteenth Street, N.W., Suite 800, Washington, D.C., 20005 (Attn: Josephine Wang, Esq. and Christopher H. LaRosa, Esq.);
- c) the Commodity Futures Trading Commission (the “CFTC”), Three Lafayette Centre, 1155 21st Street N.W., Washington, D.C., 20581 (Attn: Martin B. White, Esq.);
- d) parties that have requested special notice in this SIPA Proceeding.

Responses not timely filed and served in the manner set forth above shall not be considered and shall be overruled; and it is further

ORDERED that this Court shall retain jurisdiction to hear and determine all matters arising from the implementation of this Order.

Dated: November __, 2011
New York, New York

HONORABLE MARTIN GLENN
UNITED STATES BANKRUPTCY JUDGE