

Proposed Hearing Date and Time: December 9, 2011 at 2:00 p.m. (Prevailing Eastern Time)

Proposed Objection Deadline: December 9, 2011 at 9:00 a.m. (Prevailing Eastern Time)

DEWEY & LEBOEUF LLP  
1301 Avenue of the Americas  
New York, New York 10019  
Telephone: (212) 259-8000  
Facsimile: (212) 259-6333  
Martin J. Bienenstock  
Michael P. Kessler  
Irena M. Goldstein

*Proposed Attorneys for the Statutory Creditors’  
Committee of MF Global Holdings Ltd., et al.*

*In re*

)  
) Chapter 11

MF GLOBAL HOLDINGS LTD., *et al.*,

)  
) Case No. 11-15059 (MG)

Debtors.

)  
) (Jointly Administered)

\_\_\_\_\_  
SAPERE WEALTH MANAGEMENT LLC,  
GRANITE ASSET MANAGEMENT and  
SAPERE CTA FUND, L.P., Movants,

-against-

STATUTORY CREDITORS’ COMMITTEE OF  
MF GLOBAL HOLDINGS LTD., *et al.*,  
Respondents.

**OBJECTION OF STATUTORY CREDITORS’ COMMITTEE OF MF GLOBAL  
HOLDINGS LTD., ET AL. TO EX PARTE MOTION OF SAPERE WEALTH  
MANAGEMENT LLC, GRANITE ASSET MANAGEMENT AND SAPERE CTA  
FUND, L.P. FOR AN ORDER SHORTENING TIME FOR NOTICE OF THE HEARING  
TO CONSIDER THEIR MOTION TO DIRECT THE DEBTORS’ ESTATE TO BE  
ADMINISTERED PURSUANT TO 11 U.S.C. §§ 761-767 AND 17 C.F.R. § 190**

The Statutory Creditors’ Committee appointed in the chapter 11 cases of MF Global Holdings Ltd., *et al.* (the “Committee” of the “Debtors,” respectively), submits this objection (the “Objection”) to the *Ex Parte Motion of Sapere Wealth Management LLC, Granite Asset*

*Management and Sapere CTA Fund, L.P. for an Order Shortening Time for Notice of the Hearing to Consider Their Motion to Direct the Debtors' Estate to be Administered Pursuant to 11 U.S.C. §§ 761-767 and 17 C.F.R. § 190, filed December 5, 2011 [Docket No. 218] (the "Motion to Shorten," filed by the "Movants"), requesting the *Motion to Allow Debtors' Estate to be Administered Pursuant to 11 U.S.C. §§ 761-767 and 17 C.F.R. § 190, filed December 5, 2011 [Docket No. 217] (the "Motion")*<sup>1</sup> be heard by this Court on December 9, 2011 at 2:00 p.m. (prevailing Eastern Time), with objections due that day at 9:00 a.m. (prevailing Eastern Time). In support of its Objection, the Committee states as follows:*

1. These cases were commenced less than six weeks ago, and the chapter 11 trustee has been in place less than two weeks. No determinations have been made concerning the allowance or disallowance of claims against the Debtors, and no bar dates have been set.

2. And yet Movants demand that this Court hear, in less than 100 hours, a motion that by their own admission is a "question . . . of first impression," leaving insufficient time for the chapter 11 trustee, the Committee, and all parties in interest to adequately consider and respond to the unprecedented arguments raised by Movants.

3. Moreover, Movants fail spectacularly to comply with the requirements of the Bankruptcy Rules and Local Rules to "show" what exigencies justify shortened notice. Rule 9006-1(b) of the Local Bankruptcy Rules for the Southern District of New York (the "Local Rules") provides 14 days' notice as the time fixed for service of motion papers, and provides:

---

<sup>1</sup> The Motion requests that commodity futures customers of MF Global Inc. be granted priority in *these* cases "to the extent of their segregated accounts at . . . MFGI." Motion, at p. 1. Without delving into the substance of the Motion, Movants fail to appreciate that, while Commodities Futures Trading Commission Regulation 1.20(a) indeed requires segregation of "customer funds . . . as belonging to . . . commodity or option customers," and the deposit of such funds "under an account name which clearly identifies them as such," these regulations contemplate the creation of omnibus accounts holding segregated positions of multiple customers, *not* separate segregated accounts for individual customers. *See* 17 C.F.R. § 1.20(a). And there is no evidence that MF Global Inc. took extra steps to create individual segregated accounts for each and every account-holder or any account holder.

Unless the Court orders otherwise, all other motion papers shall be served at least 14 days before the return date. Where such service is made, any answering papers shall be served so as to ensure actual receipt not later than three days before the return date.

Local Rule 9006-1(b).

4. Rule 9006(c) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) provides that “for cause shown” the Court may “order the period reduced.” Significantly, a movant requesting that a motion be heard on shortened notice must show the exigencies justify such relief. Local Rule 9077-1(b) requires “an affidavit or motion showing cause for an *ex parte* action as well as cause for the relief requested.”

5. Movants offer two “reasons” why the Motion should be heard on shortened notice. First, Movants claim “[the Motion] addresses a fundamental question that should be decided in conjunction with the Court’s decision on the pending . . . [cash collateral motion] that would give them super-priority status.” Motion to Shorten, ¶ 1. But to the extent Movants object to the cash collateral motion, they should object to *that* motion (as numerous other parties have done), not interpose an emergency, *ex parte* motion to shorten notice with respect to some other motion.

6. The second alleged “cause” claimed by Movants is that “[t]he relief requested in the Expedited Motion requires immediate attention as the issue of claimant priority impacts myriad decisions regarding the administration of the Debtors’ estate.” Motion to Shorten, ¶ 9. Movants fail to explain what these “myriad decisions” are, doubtless because they cannot identify even one such “decision” requiring a hearing in four days’ time which cannot be addressed directly as opposed to being addressed by Movants’ separate motion. Moreover, Movants signal the inadequacy of the notice they propose on pages 9-10 of their Motion where

they request a lawless procedure whereby they receive a Bankruptcy Rule 2004 examination and a do-over if they lose.

7. Finally, the Movants assert that “[n]o parties in interest would be prejudiced by the shortened notice requested herein or by the approval of this Motion on an *ex parte* basis.” Motion to Shorten, ¶ 11. This is nonsense; quite to the contrary, each and every creditor of the Debtors would be harmed by the relief requested by the Movants. The Movants fail to even specify if they have fulfilled the bare minimum of due process by serving the Motion and Motion to Shorten on all creditors of the Debtors.

### **CONCLUSION**

WHEREFORE, the Committee respectfully requests that the Court deny the Motion to Shorten and grant the Committee such other and further relief as is just.

Dated: December 6, 2011  
New York, New York

DEWEY & LEBOEUF LLP

By: /s/ Martin J. Bienenstock  
DEWEY & LEBOEUF LLP  
Martin J. Bienenstock  
Michael P. Kessler  
Irena M. Goldstein  
1301 Avenue of the Americas  
New York, New York 10019  
Tel: (212) 259-8000  
Fax: (212) 259-6333

*Proposed Attorneys for the Statutory Creditors’  
Committee of MF Global Holdings Ltd., et al.*