UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK
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In re:

MF GLOBAL HOLDINGS LTD,
MF GLOBAL FINANCE USA INC and
MF GLOBAL INC

Chapter 11
Case No. 11-15059 (MG)

Debtors.

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NATALIA SIVOVA, on behalf of
herself and all others similarly situated,

Plaintiff,

v. ADV. PRO. 11-_____ (MG)

MF GLOBAL HOLDINGS LTD,
MF GLOBAL HOLDINGS USA INC.,
MF GLOBAL FINANCE USA INC. and
MF GLOBAL INC,

Defendants.
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Plaintiff Natalia Sivova ("Plaintiff") alleges on behalf of herself and the class of those similarly situated as follows:

NATURE OF THE ACTION

1. The Plaintiff bring this action on behalf of herself, and other similarly situated former employees who worked for Defendants and who were terminated without cause, as part of, or as the result of, a mass layoff or plant closings ordered by Defendants on or about November 11, 2011, and within thirty (30) days of that date, and who were not provided 60 days advance written notice of their terminations by Defendants, as required by the Worker Adjustment and Retraining Notification Act ("WARN Act"), 29 U.S.C. § 2101 *et. seq.*, and the

New York Worker Adjustment and Retraining Notification Act ("NY WARN Act") New York Labor Law ("NYLL") § 860 *et seq*.

2. Plaintiff and all similarly situated employees seeks to recover 60 days wages benefits, pursuant to 29 U.S.C. § 2104, from Defendants. The Plaintiff and similarly situated employees in New York seek to recover 60 days wages and benefits. Plaintiff's claims, as well as the claims of all similarly situated employees, are entitled to first priority administrative expense status pursuant to the United States Bankruptcy Code § 503(b)(1)(A).

JURISDICTION AND VENUE

3. This Court has jurisdiction over this adversary pursuant to 28 U.S.C. §§ 157, 1331, 1334, 1367 and 29 U.S.C. § 2104(a)(5).

4. This is a core proceeding pursuant to 28 U.S.C. §§ 157(b)(2)(A), (B) and (O).

5. The violation of the WARN Act alleged herein occurred in this district.

6. Venue in this Court is proper pursuant to 29 U.S.C. § 2104(a)(5) and NYLL § 860-G(7).

THE PARTIES

Plaintiff

7. Plaintiff Natalia Sivova was employed by Defendants and worked at Defendants' office located at 717 Fifth Avenue, New York, New York (the "Headquarters Facility"), until her termination on or about November 11, 2011.

Defendant

8. Debtor MF Global Holdings Ltd, a Delaware company, is the direct parent of wholly-owned subsidiary non-debtor MF Global Holdings USA Inc., a New York corporation.

9. Non-debtor MF Global Holdings USA Inc. is the direct parent of non-debtor MF Global Inc., a Delaware company, and Debtor MF Global Finance USA Inc., a New York corporation.

10. Debtor MF Global Holdings Ltd and MF Global Finance USA Inc. maintained and operated their corporate headquarters at the 717 Fifth Avenue, New York, New York Facility and maintained and operated additional sites and facilities, as that term is defined by the WARN Act and NY WARN Act, throughout the United States including 440 South LaSalle Street, 20th Floor, Chicago Illinois (the "LaSalle Facility"), 55 East 52nd Street, 40th Floor, New York, New York (the "52nd Street Facility"), and the West Jackson Facility (collectively the "Facilities").

11. MF Global Inc. maintained and operated its corporate headquarters at the 717 Fifth Avenue, New York, New York Facility. Until on or about November 11, 2011, the Plaintiff and the other similarly situated former employees were employed by Defendants and worked at or reported to one of the Facilities.

12. On October 31, 2011, Defendants filed voluntary petitions for relief under Chapter 11 of Title 11 of the United States Bankruptcy Code.

WARN CLASS ALLEGATIONS

13. Plaintiff brings the First Claim for Relief for violation of 29 U.S.C. § 2101 *et seq*., on her own behalf and on behalf of all other similarly situated former employees, pursuant to 29 U.S.C. § 2104(a)(5) and Federal Rules of Civil Procedure, Rule 23(a) and (b), who worked at or reported to one of Defendants' Facilities and were terminated without cause on or about November 11, 2011, and within 30 days of that date, or were terminated without cause as the reasonably foreseeable consequence of the mass layoffs and/or plant closings ordered by

Defendants on or about November 11, 2011, and who are affected employees, within the meaning of 29 U.S.C. § 2101(a)(5) (the "WARN Class").

14. The persons in the WARN Class identified above ("WARN Class Members") are so numerous that joinder of all members is impracticable. Although the precise number of such persons is unknown, the facts on which the calculation of that number can be based are presently within the sole control of Defendants.

15. On information and belief, the identity of the members of the class and the recent residence address of each of the WARN Class Members is contained in the books and records of Defendants.

16. On information and belief, the rate of pay and benefits that were being paid by Defendants to each WARN Class Member at the time of his/her termination is contained in the books and records of the Defendants.

17. Common questions of law and fact exist as to members of the WARN Class, including, but not limited to, the following:

(a) whether the members of the WARN Class were employees of the Defendants who worked at or reported to Defendants' Facilities;

(b) whether Defendants, as a single employer, unlawfully terminated the employment of the members of the WARN Class without cause on their part and without giving them 60 days advance written notice in violation of the WARN Act; and

(c) whether Defendants unlawfully failed to pay the WARN Class members 60 days wages and benefits as required by the WARN Act.

18. The Plaintiff's claims are typical of those of the WARN Class. The Plaintiff, like other WARN Class members, worked at or reported to one of Defendants' Facilities and was terminated without cause on or about November 11, 2011, due to the mass layoffs and/or plant closings ordered by Defendants.

19. The Plaintiff will fairly and adequately protect the interests of the WARN Class. The Plaintiff has retained counsel competent and experience in complex class actions, including the WARN Act and employment litigation.

20. Class certification of these claims is appropriate under Fed.R. Civ.P. 23(b)(3) because questions of law and fact common to the WARN Class predominate over any questions affecting only individual members of the WARN Class, and because a class action superior to other available methods for the fair and efficient adjudication of this litigation – particularly in the context of WARN Act litigation, where individual plaintiffs may lack the financial resources to vigorously prosecute a lawsuit in federal court against a corporate defendant, and damages suffered by individual WARN Class members are small compared to the expense and burden of individual prosecution of this litigation.

21. Concentrating all the potential litigation concerning the WARN Act rights of the members of the Class in this Court will obviate the need for unduly duplicative litigation that might result in inconsistent judgments, will conserve the judicial resources and the resources of the parties and is the most efficient means of resolving the WARN Act rights of all the members of the Class.

22. Plaintiff intends to send notice to all members of the WARN Class to the extent required by Rule 23.

NEW YORK WARN ACT CLASS ALLEGATIONS

23. Plaintiff Christine Cousins (the "NY WARN Plaintiff") brings the Second Claim for Relief for violation of NYLL § 860 *et seq.*, on behalf of herself and a class of similarly situated persons pursuant to NYLL § 860-G (7) and Federal Rules of Civil Procedure, Rule 23(a) and (b), who worked at or reported to one of Defendants' Facilities and were terminated without

cause on or about November 11, 2011, and within 30 days of that date, or were terminated without cause as the reasonably foreseeable consequence of the mass layoffs and/or plant closings ordered by Defendants on or about November 11, 2011, and who are affected employees, within the meaning of NYLL § 860-A (1),(4) and(6) (the "NY WARN Class")

24. The persons in the NY WARN Class identified above ("NY WARN Class Members") are so numerous that joinder of all members is impracticable. Although the precise number of such persons is unknown, the facts on which the calculation of that number can be based are presently within the sole control of Defendants.

25. On information and belief, the identity of the members of the class and the recent residence address of each of the NY WARN Class Members is contained in the books and records of Defendants.

26. On information and belief, the rate of pay and benefits that were being paid by Defendants to each NY WARN Class Member at the time of his/her termination is contained in the books and records of the Defendants.

27. Common questions of law and fact exist as to members of the NY WARN Class, including, but not limited to, the following:

(a) whether the members of the NY WARN Class were employees of the Defendants who worked in a covered site of employment of Defendants;

(b) whether Defendants, as a single employer, unlawfully terminated the employment of the members of the NY WARN Class without cause on their part and without giving them 90 days advance written notice in violation of the WARN Act; and

(c) whether Defendants unlawfully failed to pay the NY WARN Class members 60 days wages and benefits as required by the WARN Act.

28. The NY WARN Plaintiff's claims are typical of those of the NY WARN Class. The NY WARN Plaintiff, like other NY WARN Class members, worked at or reported to one of Defendants' Facilities and was terminated on or about November 1, 2011, due to the termination of the Facilities ordered by Defendants.

29. The NY WARN Plaintiff will fairly and adequately protect the interests of the NY WARN Class. The NY WARN Plaintiff has retained counsel competent and experienced in complex class actions on behalf of employees, including the WARN Act, state laws similar to WARN, and employment litigation.

30. Class certification of these Claims is appropriate under Fed.R. Civ.P. 23(b)(3) because questions of law and fact common to the NY WARN Class predominate over any questions affecting only individual members of the NY WARN Class, and because a class action superior to other available methods for the fair and efficient adjudication of this litigation – particularly in the context of NY WARN Class Act litigation, where individual Plaintiff may lack the financial resources to vigorously prosecute a lawsuit in federal court against a corporate defendant, and damages suffered by individual NY WARN Class members are small compared to the expense and burden of individual prosecution of this litigation.

31. Concentrating all the potential litigation concerning the NY WARN Act rights of the members of the Class in this Court will obviate the need for unduly duplicative litigation that might result in inconsistent judgments, will conserve the judicial resources and the resources of the parties and is the most efficient means of resolving the NY WARN Act rights of all the members of the Class.

32. The NY WARN Plaintiff intends to send notice to all members of the NY WARN Class to the extent required by Rule 23.

CLAIM FOR RELIEF

WARN ACT Cause of Action

33. Plaintiff realleges and incorporates by reference all allegations in all preceding paragraphs.

34. At all relevant times, Defendants employed more than 100 employees who in the aggregate worked at least 4,000 hours per week, exclusive of hours of overtime, within the United States.

35. At all relevant times, Defendants were an "employer," as that term is defined in 29 U.S.C. § 2101 (a)(1) and 20 C.F.R. § 639(a) and continued to operate as a business until it decided to order a mass layoff or plant closing at the Facilities.

36. The Defendants constituted a "single employer" of the Plaintiff and the Class Members under the WARN Act in that, among other things:

(a) The Defendants shared common ownership, in that MF Global Inc. and MF Global Finance USA Inc., and MF Global Holdings USA Inc. are wholly or substantially owned by MF Global Holdings Ltd, to create a parent-subsidiary relationship;

(b) The Defendants shared common officers and directors, including insider John S. Corzine (except MF Global Finance USA Inc.), Bradley I. Abelow (except MF Global Inc.), Henri Steenkamp (except MF Global Holdings USA Inc.), and David Dunne (except MF Global Holdings USA Inc).

(c) All of the Defendants exercised de facto control over the labor practices governing the Plaintiff and Class Members, including the decision to order the mass layoff or plant closing at the Facilities, in that, *inter alia*, the Directors of MF Global Holdings Ltd. Convened on the morning of October 31, 2011 and authorized the filing of the bankruptcy

petition, and as debtor-in-possession, upon information and belief authorized the mass layoff of employees;

(d) There was a unity of personnel policies emanating from a common source between Defendants in that, *inter alia*, employee benefits policies such as self-insured health coverage was paid for and offered by the parent entity MF Global Holdings Ltd; and

(e) There was a dependency of operations between Defendants, in that, *inter alia*, upon information and belief, administration, use of facilities and other staff-based services were shared between the entities

37. At all relevant times, Plaintiff and the other similarly situated former employees were employees of Defendants as that term is defined by 29 U.S.C. §2101.

38. On or about November 11, 2011, the Defendants ordered a mass layoff or plant closing at the Facilities, as that term is defined by 29 U.S.C. § 210l(a)(2).

39. The mass layoff or plant closing at the Facilities resulted in "employment losses," as that term is defined by 29 U.S.C. §2101(a)(2) for at least fifty of Defendants' employees as well as 33% of Defendants' workforce at the Facilities, excluding "part-time employees," as that term is defined by 29 U.S.C. § 2l01(a)(8).

40. The Plaintiff and the Class Members were terminated by Defendants without cause on their part, as part of or as the reasonably foreseeable consequence of the mass layoff or plant closing ordered by Defendants at the Facilities.

41. The Plaintiff and the Class Members are "affected employees" of Defendants, within the meaning of 29 U.S.C. § 210l(a)(5).

42. Defendants were required by the WARN Act to give the Plaintiff and the Class Members at least 60 days advance written notice of their terminations.

43. Defendants failed to give the Plaintiff and the Class members written notice that complied with the requirements of the WARN Act.

44. The Plaintiff are, and each of the Class Members are, "aggrieved employees" of the Defendants as that term is defined in 29 U.S.C. § 2104 (a)(7).

45. Defendants failed to pay the Plaintiff and each of the Class Members their respective wages, salary, commissions, bonuses, accrued holiday pay and accrued vacation for 60 days following their respective terminations, and failed to make the pension and 401(k) contributions and provide employee benefits under ERISA, other than health insurance, for 60 days from and after the dates of their respective terminations.

46. Since the Plaintiff and each of the Class Members seek back-pay attributable to a period of time after the filing of the Debtors' bankruptcy petitions and which arose as the result of the Debtors' violation of federal laws, Plaintiff's and the Class Members' claims against Defendants are entitled to first priority administrative expense status pursuant to 11 U.S.C. § 503(b)(l)(A).

47. The relief sought in this proceeding is equitable in nature.

New York WARN Act Cause of Action

48. Plaintiff realleges and incorporates by reference all allegations in all preceding paragraphs.

49. At all relevant times, Defendants were individuals or private business entities defined as "employers" under the NY WARN Act and continued to operate as a business until they decided to order a mass layoff or plant closing at the Facilities as defined by § 860-A(3),(4).

50. On or about November 11, 2011, the Defendants ordered a mass layoff and/or plant closing at its Facilities as defined by § 860-A(3),(4).

51. The New York Plaintiff and the Class Members suffered a termination of employment as defined by § 860-A(2)(C) having been terminated by Defendants without cause on their part.

52. Defendants were required by the NY WARN Act to give the New York Plaintiff and the Class Members at least 90 days advance written notice of their terminations pursuant to § 860-B.

53. Defendants failed to give the NY WARN Plaintiff and the NY Class Members written notice that complied with the requirements of the NY WARN Act.

54. Defendants failed to pay the NY WARN Plaintiff and each of the NY Class Members their respective wages, salary, commissions, bonuses, accrued holiday pay and accrued vacation for 60 days following their respective terminations, and failed to make the pension and 401(k) contributions and provide employee benefits under ERISA, other than health insurance, for 60 days from and after the dates of their respective terminations.

55. Since the NY WARN Plaintiff and each of the NY Class Members seek severance attributable to a period of time after the filing of the Debtors' bankruptcy petitions and which arose as the result of the Debtors' violation of New York law and the NY Class Members' claims against Defendants are entitled to first priority administrative expense status pursuant to 11 U.S.C. § 503(b)(l)(A).

56. The relief sought in this proceeding is equitable in nature.

PRAYER FOR RELIEF

WHEREFORE, the Plaintiff, individually and on behalf of all other similarly situated persons, pray for the following relief as against Defendants:

A. Certification of this action as a class action;

B. Designation of the Plaintiff as Class Representatives;

C. Appointment of the undersigned attorneys as Class Counsel;

D. A first priority administrative expense claim pursuant to 11 U.S.C. § 503(b)(1)(A) in favor of the Plaintiff and the other similarly situated former employees equal to the sum of: their unpaid wages, salary, commissions, bonuses, accrued holiday pay, accrued vacation pay, pension and 401(k) contributions and other ERISA benefits, for 60 days, that would have been covered and paid under the then-applicable employee benefit plans had that coverage continued for that period, or, alternatively, determining that the first $11,725 of the WARN Act and NY WARN Act claims of the Plaintiff and each of the other similarly situated former employees is entitled to priority status, under 11 U.S.C. § 507(a)(4), and the remainder is a general unsecured claim.

E. An allowed administrative-expense priority claim under 11 U.S.C. § 503 for the reasonable attorneys' fees and the costs and disbursements that the Plaintiff incur in prosecuting this action, as authorized by the WARN Act, 29 U.S.C. § 2104(a)(6); and

F. Such other and further relief as this Court may deem just and proper.

Dated: November 14, 2011

Respectfully submitted,

By: _/s/ Jack A. Raisner_____

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