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Case No. 10136-

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

CITY OF LAKELAND EMPLOYEES' PENSION PLAN on behalf of itself and on behalf of all others similarly situated, Plaintiff, v. MICHAEL GOOCH, COLIN HEFFRON, MARISA CASSONI, FRANK FANZILLI, JR., RICHARD MAGEE, NICK BROWN, CME GROUP INC., COMMODORE ACQUISITION CORP., COMMODORE ACQUISITION LLC, CHEETAH ACQUISITION CORP., CHEETAH ACQUISITION LLC, JERSEY PARTNERS INC., NEW JPI INC., and GFI BROKERS HOLDCO LTD. Defendants.	C.A. No. ________

VERIFIED CLASS ACTION COMPLAINT

Plaintiff City of Lakeland Employees' Pension Plan ("Lakeland" or "Plaintiff") by and through its undersigned counsel, brings this stockholder class action on behalf of itself and the other public stockholders of GFI Group Inc. ("GFI" or the "Company) against members of GFI's board of directors (the "Board"), Nick Brown, CME Group Inc. ("CME"), Commodore Acquisition Corp., and Commodore Acquisition LLC, Jersey Partners Inc., New JPI Inc., and GFI Brokers Holdco Ltd. ("GFI Ltd.") alleging breaches of fiduciary duties and aiding and abetting thereof in connection with certain members of GFI's management and CME's attempt to acquire GFI for inadequate consideration to the detriment of the Company's public stockholders. The allegations in the Complaint are based on the knowledge of Plaintiff as to itself and on information and belief, including the investigation of counsel and review of publicly available information, as to all other matters.

NATURE OF THE ACTION

1. When corporate fiduciaries want to buy all or some significant part of their own corporation's business or assets, Delaware law typically requires them to prove the fairness of the transaction. Similarly, Delaware law requires corporate fiduciaries to seek the best transaction reasonably available for shareholders when selling substantially all of a corporation's assets. Here, GFI's directors and officers abdicated their duty to pursue the best transaction reasonably available, instead pursuing an inferior deal that is unfair to GFI shareholders in order to materially benefit themselves.

2. GFI's corporate directors and officers have tried to create a loophole to escape their fiduciary obligations. In order to avoid enhanced judicial scrutiny, they did not attempt to directly buy the corporate assets they desired; rather they

engineered an unorthodox two-step transaction in order to create the appearance that they were complying with their fiduciary duties.

3. The first step of the acquisition appears to be a plain vanilla acquisition in which GFI would be acquired by third party CME Group, Inc. ("CME"). But GFI's fiduciaries conditioned their support of the deal on a second step in which CME would turn around and sell the largest and most valuable part of the Company's business right back to the fiduciaries (collectively the "Proposed Acquisition"). The Proposed Acquisition is both the result of a materially deficient process and is substantively unfair to GFI's shareholders because, in allowing GFI's fiduciaries to negotiate their own acquisition of GFI's choice assets at bargain basement prices, it substantially undervalued GFI and prevented GFI shareholders from obtaining the best deal reasonably possible. Accordingly, GFI's fiduciaries breached their fiduciary duties by engineering this Proposed Acquisition. Michael Gooch, Executive Chairman of the GFI Board of Directors ("Board"), Colin Heffron, a GFI director and its CEO, and Nick Brown, head of GFI's Financial Product Brokerage for North America (the "Management Consortium") are at the center of this proposed two-step transaction.

4. Under the first step of the Proposed Acquisition, CME would acquire all outstanding shares of GFI stock, extinguishing the ownership interests of GFI's

current stockholders (and, in theory, extinguishing the fiduciary obligations of the Management Consortium members). But CME would not hold GFI for long. Under the second step of the proposed acquisition, CME would immediately sell GFI's over-the-counter and exchange listed derivatives brokerage and trade execution service business (the "Brokerage Business") ***to the Management Consortium*** for $165 million in cash, plus assumption of $63 million in related liabilities. CME would be left with only an interest in GFI's auxiliary analytics software business. The Management Consortium's asset purchase raises the specter that the entire transaction has been tainted by conflicts of interest.

5. Moreover, in the second step of the Proposed Acquisition, the Management Consortium would acquire business segments that accounted for nearly 90% of GFI's revenues in 2013. Thus, the Board agreed to a transaction that would break up the Company and accordingly had an obligation to obtain the best deal reasonably available for GFI shareholders under its *Revlon* duties.

6. Instead of satisfying its obligation to obtain the best deal reasonably available, the Board ignored its obligations and failed to run an adequate sales process. Indeed, the Board spurned at least one interested third party suitor, BGC Partners, Inc. ("BGC"), in favor of CME, even though BGC offered a deal that was substantially more favorable to shareholders (providing a 15% premium over the

CME deal and immediate liquidity to shareholders). The Board's refusal to discuss a possible sale of GFI to BGC, as well as its other unlawful actions described below, forced BGC to make a public tender offer at a higher value than the Proposed Acquisition (but, as discussed below, at a price still lower than the price to which shareholders are entitled).

7. The Board's continuing unlawful actions threaten to stymie BGC's attempts to complete its tender offer or, at a minimum, increase the likelihood that the BGC deal will close on less favorable terms for GFI shareholders than it would have absent the Board's actions in conjunction with the Proposed Acquisition.

8. Further eroding the rights of shareholders, the Board consented to a voting support agreement (the "Support Agreement") between CME and the Management Consortium that ***prohibits*** the Management Consortium from voting in favor of any merger or tendering its shares into a tender offer for one year following the termination of the merger agreement due to the existence of a superior proposal (such as BGC's tender offer). This provision effectively prevents the sale of GFI to anyone other than CME during that time because the Management Consortium owns 38% of GFI's shares, and the Company's Articles of Incorporation require a two-thirds vote to approve a merger. Without the Management Consortium's 38% of shares voting in favor of a sale to anyone other

than CME, including in the tender offer by BGC, a two-thirds vote cannot be achieved.

9. Because the Management Consortium's agreement prevents any potential purchaser from completing a merger with GFI for over a year, any potential buyer (such as BGC) would necessarily discount the price it would be willing to pay in a tender offer to account for that time and risk. Consequently, the voting agreement operates in part as an unlawful dead hand poison pill and is wholly impermissible and invalid.

PARTIES

10. Plaintiff City of Lakeland Employees' Pension Plan is, and has been at all relevant times, a shareholder of GFI common stock.

11. By way of background, non-party GFI is a leading provider of competitive wholesale market brokerage services in a multitude of global over-the-counter (OTC) and exchange listed cash and derivative markets. The Company offers an array of sophisticated trading technologies and products to a broad range of financial market participants. GFI's brands include Trayport® and FENICS.® GFI is incorporated in Delaware and maintains its headquarters in New York. GFI trades on the New York Stock Exchange under the ticker symbol GFIG.

12. The GFI Board of Directors consists of five directors (collectively, the "Director Defendants"), two of whom are plainly conflicted and each of whom acquiesced in turning a blind eye to the Brokerage Business side deal at issue here:

a) Defendant Michael Gooch ("Gooch") founded GFI in 1987 and served as the Company's CEO from 1987 until 2013. Gooch currently serves on the Company's board of directors as Executive Chairman. Gooch owns 70% of Jersey Partners Inc. ("JPI"), GFI's largest shareholder. Primarily through this ownership, Gooch is the beneficial owner of 37.3% of GFI's outstanding stock. Gooch is a member of the Management Consortium that will acquire GFI's Brokerage Business in connection with the Proposed Acquisition.

b) Defendant Colin Heffron ("Heffron") joined GFI as an employee in 1988. Heffron has served as a director of GFI since 2001, as its President since 2004, and as its CEO since 2013. Heffron is also Chairman of Trayport, a wholly-owned subsidiary of GFI, which will be retained by CME as part of the transaction. Heffron is a member of the Management Consortium that will acquire GFI's Brokerage Business in connection with the Proposed Acquisition. Heffron is a minority shareholder of JPI.

c) Defendant Marisa Cassoni ("Cassoni") has served as a director of GFI since 2005.

d) Defendant Frank Fanzilli, Jr. ("Fanzilli") has served as a director of GFI since 2009.

e) Defendant Richard Magee ("Magee") has served as a director of GFI since 2010.

13. Defendant Nick Brown ("Brown") has been employed by GFI since 2003 and currently serves as Managing Director — Head of Financial Product Brokerage, Americas. Brown is a director of JPI and a member of the GFI Management Consortium that will acquire GFI's Brokerage Business in connection with the Proposed Acquisition.

14. Defendant Jersey Partners Inc. ("JPI") is a New York corporation controlled by Gooch, who owns 70% of its shares. Heffron is a minority shareholder of JPI, and Brown is on JPI's Board of Directors. JPI owns 37% of GFI's outstanding shares and is its largest shareholder.

15. Defendant New JPI Inc. ("New JPI") is a Delaware corporation. As a result of certain reorganizations to be undertaken in connection with the Proposed Acquisition, New JPI will acquire all of the GFI shares owned by JPI and will become a wholly-owned subsidiary of Defendant CME.

16. Defendant CME holds itself out as the world's leading and most diverse derivatives marketplace, handling three billion contracts worth approximately $1 quadrillion annually. CME purports to offer the widest range of global benchmark products across all major asset classes, based on interest rates, equity indexes, foreign exchange, energy, agricultural commodities, metals, weather, and real estate. CME provides a wide-range of products that allow customers to manage the risks inherent in their investments. CME is incorporated in Delaware and maintains its headquarters in Illinois. It trades on the NASDAQ Global Select market under the ticker symbol CME.

17. Defendant Commodore Acquisition Corp. is a wholly-owned subsidiary of CME incorporated in Delaware.

18. Defendant Commodore Acquisition LLC is a wholly-owned subsidiary of CME. Commodore Acquisition LLC is a Delaware limited liability company.

19. Defendant Cheetah Acquisition Corp. is a wholly-owned subsidiary of CME incorporated in Delaware.

20. Defendant Cheetah Acquisition LLC is a wholly-owned subsidiary of CME. Cheetah Acquisition LLC is a Delaware limited liability company.

21. Defendant GFI Brokers Holdco Ltd. is a Bermuda limited company

owned by the Management Consortium. Following the Proposed Acquisition, it will own the Brokerage Business being acquired by the Management Consortium.

22. The GFI directors (the "Board") and GFI officer Nick Brown, listed in ¶¶ 14-15 above are collectively referenced herein as the "Individual Defendants."

23. The members of the Management Consortium, consisting of Gooch, Heffron, and Brown, are collectively referenced herein as the "Executive Defendants."

24. The defendants listed in ¶¶ 16-22 above are collectively referenced herein as the "Corporate Defendants."

SUBSTANTIVE ALLEGATIONS

A. The Proposed Acquisition

1. Background

25. GFI is a leading intermediary and provider of trading technologies and support services to the global over-the-counter and exchange listed markets. GFI provides brokerage and trade execution services, clearing services, market data and trading platforms and other software products to its customers. Historically, GFI focused on less commoditized markets for sophisticated financial instruments, such as over-the-counter derivatives. In recent years it has developed auxiliary businesses that complement its brokerage of over the counter derivatives and produce a small amount of additional revenue for GFI. These businesses include

cash bond and futures contracts brokerage services, clearing services, and analytical and trading software businesses.

26. For each of the last three years (2011-2013), approximately 70% of GFI's revenues were generated by its brokerage operations and approximately 20% of revenues were generated by GFI's clearing services business.

27. As a wholesale broker, GFI operates as an intermediary in the financial markets by aggregating and disseminating prices and fostering transactional liquidity for financial institutions around the globe. GFI serves an important role in financial markets by quickly matching sellers with buyers.

28. GFI also provides certain software, analytics, and market data services that support its customers trading and investment activities. GFI provides these services primarily through two successful brands: Trayport® ("Trayport") and FENICS® ("FENICS"). In contrast to GFI's brokerage and clearing services businesses, less than 10% of revenues were generated by GFI's software analytics business from 2011 through 2013. For the three month period ending June 30, 2014, the revenue generated by GFI's software analytics business remained under 12% of GFI's total revenue.

29. Recently, GFI has seen a temporary dip in the performance of its brokerage business, contrasted with strong growth from its software, analytics, and

market data businesses (primarily Trayport and FENICS). In a press release announcing GFI's first quarter 2014 earnings results, Defendant Heffron stated that "GFI's non-GAAP net revenues grew 1.1% in the first quarter of 2014 as software, analytics and market date revenues increased 16.3% and brokerage revenues declined 2.0%.

30. In a press release announcing GFI's second quarter results, Heffron stated:

> [i]n the second quarter revenues from our software analytics and market data businesses increased 17.4% due to strong growth from Trayport. However, GFI's brokerage business continued to be impacted by a number of cyclical and structural headwinds including muted volatility across asset classes, low interest rates, higher capital requirements and ongoing regulatory changes. As a result, non-GAAP brokerage and net revenues declined 10.6% and 6.8% respectively.

31. In other words, GFI's brokerage business is cyclical, and it is currently in a down-cycle. In that context, the Board agreed to the Proposed Acquisition in a manner that would allow the Management Consortium to benefit personally by taking the Brokerage Business private at a depressed value that does not accurately reflect its worth.

2. Terms of the Proposed Acquisition

32. On July 30, 2014, GFI and CME announced the Proposed Acquisition, a two-step transaction in which GFI would be sold in its entirety. The

transaction is structured so that the Management Consortium can acquire GFI's Brokerage Business without adhering to its fiduciary duties and without the scrutiny normally triggered by a direct management buyout.

33. First, CME would acquire all of GFI. In return, each share of GFI would be exchanged for $4.55 worth of CME Class A stock. The Proposed Acquisition places a value of $580 million on GFI's equity. The enterprise value of the transaction, including debt, is $820 million.

34. Critically, following this first step, CME would only retain GFI's Trayport and FENICS businesses. Once GFI is acquired by CME, extinguishing the ownership interests of its current stockholders, CME would sell GFI's Brokerage Business – consisting of both its wholesale brokerage and its clearing businesses – to the Management Consortium, led by Defendants Gooch, Heffron, and Brown.

35. The Proposed Acquisition is governed by three separate contracts. The first contract provides for the merger of GFI into CME. The second contract provides for a re-organization of JPI and a merger of its affiliate into CME. Together, these contracts constitute the "Merger Agreement."

36. The third contract (the "Purchase Agreement") provides for the Management Consortium's purchase of the Brokerage Business.

37. In return for the Brokerage Business, the Management Consortium would pay the discount price of $165 million in cash to CME and assume $63 million of unvested deferred compensation and other liabilities. The Brokerage Business would maintain a relationship with Trayport and FENICS by entering into long-term commercial agreements.

38. No discernible steps have been taken to ensure that the Management Consortium's purchase of those assets for $165 million in cash and assumption of $63 million in related liabilities was fair and appropriate consideration or that they negotiated the *entire* transaction without regard to their self-interest.

39. There is little doubt that the price the Management Consortium agreed to pay to CME for the Brokerage Business was taken into consideration when CME determined how much to pay GFI's stockholders for the entire business.

40. Thus, because the Management Consortium would acquire the GFI Brokerage Business at a discount in its current down cycle, CME would be paying GFI less than it otherwise would have for the entire business and less than other third parties are willing to pay. There is no guarantee that the Management Consortium would be paying a full and fair price for the assets. The fact that at least one third party has made a superior offer – even in the face of restrictive covenants entered into by the Management Consortium – is a very strong

indication that the price is unfair. *See infra* at ¶¶ 58-60**.** Nor is there any guarantee that the Management Consortium adopted arms-length negotiating tactics in the first step of the transaction that would have been adopted in the absence of self-interest.

41. In order to consummate the Proposed Acquisition, GFI shareholders must approve the Merger Agreement pursuant to three separate standards. The Company's Articles of Incorporation dictate the first two standards, and the third standard was agreed to by the parties. First, two-thirds of the actual votes cast at the shareholder meeting must be voted in favor of the Merger Agreement. Second, a majority of GFI's outstanding shares must be voted in favor of the Merger Agreement. Third, a majority of the outstanding shares owned by disinterested shareholders must be voted in favor of the Merger Agreement.[1]

42. Notably, the requirement of approval of a majority of shares owned by disinterested shareholders can be waived by GFI and thus is wholly illusory. The waivability of the provision is particularly troubling in light of the fact that GFI's Management Consortium is pegged to acquire the bulk of the Company's operations at a very low price.

[1] A disinterested shareholder is anyone not associated with the Management Consortium or any other officer or director of GFI.

3. Announcement of the Proposed Acquisition

43. Defendants announced the Proposed Acquisition on July 30, 2014, stating that they expected the merger to close early in 2015. A joint press release quoting Defendant Gooch stated:

> [w]e are very pleased to announce this transaction with CME Group and the substantial premium and liquidity it delivers to our stockholders. Optimizing GFI's value for stockholders has been a goal of management since becoming a public company in 2005 and this transaction represents a singular and unique opportunity to return value. I am very proud of what our Trayport and FENICS teams have achieved since becoming a part of GFI. We are excited that these businesses will become part of a dynamic and highly-regarded company where their immediate strategic value can be further realized within CME.

44. Heffron added:

> [o]ver the past few years, the wholesale brokerage industry has faced challenging market conditions along with increased regulatory requirements. Even with those challenges, we continued to invest in technology to better serve our clients and further increase overall market efficiency. This transaction unlocks the substantial value of our Trayport and FENICS technology businesses in a tax efficient manner. Additionally, it will allow our wholesale brokerage and Kyte businesses to continue as a private company, giving them the added flexibility and agility needed to capture future market opportunities. The talents and commitment of our team have made the GFI wholesale brokerage and clearing businesses recognized leaders in their industry. I am proud and excited to continue to work together with them in this next phase of our development.

45. Beyond these statements, GFI and the Management Consortium have been surprisingly silent regarding the details of the Proposed Acquisition,

particularly as to the opportunity awarded to the Management Consortium. Typically when a merger is announced, the two companies will hold a joint conference call to discuss the deal with research analysts. GFI and CME declined to do so here. Instead, they simply disclosed, with limited discussion, the Proposed Acquisition and related Management Consortium buyout during separate, regularly-scheduled quarterly conference calls.

46. GFI's earnings call was particularly troubling. During the call held on August 1, 2014, Heffron made a brief statement reciting the deal terms announced in the joint press release. All individuals participating on the call on behalf of the Company refused to provide substantive answers to analyst questions regarding the deal, and instead referred analysts to the yet to be filed proxy statement when asked about the rationale underlying Management Consortium buyout.[2] This unusual conduct has the effect of limiting the scrutiny that GFI's stockholders or the public can impose upon the Management Consortium's plans to acquire the bulk of GFI's existing business at a low price.

[2] As of the date of the filing of this Complaint, no proxy has been issued.

4. The Management Consortium Is Opportunistically Acquiring the Brokerage Business at an Unfair Price to GFI Shareholders

47. The Management Consortium consists of several of the top executives of GFI, including its Executive Chairman and CEO Michael Gooch, GFI director Colin Heffron, and Managing Director Nick Brown. These self-interested and conflicted directors and executives, and not GFI's shareholders, have access to all of the relevant information concerning the Brokerage Business, Trayport, and FENICS. They have opportunistically timed and structured the Proposed Acquisition so that they could take over the bulk of GFI's business at a low and depressed price and personally enrich themselves.

48. GFI has experienced declining revenues in its brokerage segment, and in the week before the announcement of the Proposed Acquisition, GFI's stock was trading close to historic lows for the Company. The stock experienced a steady decline from its 2014 high of $4.14 in early March 2014 to a low of $3.00 per share in the week prior to the deal announcement. However, the depressed price was a function of the cyclical nature of the business, and not representative of the true value of GFI, and the Proposed Acquisition was opportunistically timed by the Management Consortium.

49. Heffron himself has made it clear that he views the downturn GFI experienced earlier this year as a mere cyclical occurrence due to economic and government forces beyond the Company's control.

50. During the Company's 2014 second quarter earnings conference call on August 1, 2014, which occurred after the announcement of the Proposed Acquisition, Heffron stated that "GFI's brokerage operations continued to face cyclical and structural headwinds, including muted volatility across asset classes, low interest rates, higher capital requirements, and ongoing regulatory changes." Claiming that GFI's issues are primarily related to cyclical low-volatility in the market indicates a belief that brokerage segment will experience a counter-balancing upswing as the market situation changes.

51. Thus, the Management Consortium has opportunistically timed its acquisition of the Brokerage Business so that it could pay as little as possible and accrue all of the benefits of the inevitable and pending upswing in the cycle for itself.

52. Further evidence that the Management Consortium is paying an unfairly low price is provided by the relative size of the business units at stake in this deal. In 2013, the Company had total revenues of $901.5 million. The brokerage segment and the clearing services segment, both of which are being

retained by the Management Consortium, accounted for $784.5 million, or a whopping 87% of the Company's revenue. The brokerage segment alone accounted for $645.4 million, or 71.6%, of GFI's revenue in 2013. In contrast, the software, analytics, and market data segment, primarily comprised of Trayport and FENICS, accounted for a mere $90.5 million, or roughly 10% of GFI's 2013 revenue.

53. These numbers show both that the Management Consortium is acquiring the vast majority of GFI's current business operations and illustrate the low price it is paying for it. In return for the Brokerage Business, the Management Consortium is paying a total of $228 million including liabilities. This is a mere 29.1% of the revenue the Brokerage Business generated in 2013 alone. Moreover, it is only 27.8% of the total $820 million valuation placed on the Proposed Acquisition. The two business segments that account for 10% of the Company's revenues are responsible for the remaining 72.2% of the deal value. This is ludicrous on its face.

54. Underscoring the unfair price of the deal is the fact that Jefferies Finance LLC ("Jefferies Finance") stands to profit from a financing arrangement whereby it agreed to provide a $225 million senior secured term loan as financing for the Management Consortium's acquisition of the Brokerage Business.

According to the press release announcing the Proposed Acquisition, Jefferies Group LLC ("Jefferies Group"), an affiliate of Jefferies Finance, served as GFI's financial advisor in connection with this deal. Thus, the financing arrangement likely influenced the financial advice provided by Jefferies Group.

55. In short, the Management Consortium has opportunistically timed the Proposed Acquisition so that it could acquire GFI's Brokerage Business at an extremely depressed price and ensure that it will not be forced to share the inevitable upside with GFI's public shareholders. The existence of a superior offer is further evidence that the Management Consortium undervalued GFI's assets – its Brokerage Business in particular – with the goal of enriching itself and acquiring the Brokerage Business at a bargain basement price.

B. The Board Agreed to the Proposed Acquisition Without Running an Adequate Process Designed to Maximize Shareholder Value in Accordance with its *Revlon* Duties

56. As noted above, the Brokerage Business that the Management Consortium is taking private as part of the Proposed Acquisition was responsible for nearly 90% of the Company's 2013 revenues. GFI shareholders will no longer have any right to share in the future success of that business. This constitutes a fundamental corporate change of control and is a break-up of the corporate bastion. Thus, under the seminal doctrine of *Revlon* and its progeny, the Board had a duty to maximize shareholder value by securing the best deal reasonably available.

57. The Board failed to run any sales process designed to maximize shareholder value and ignored inquiries from other interested parties, preferring to sell GFI to CME so that the Management Consortium could acquire the Brokerage Business at an unfair price. Indeed on September 9, 2014, BGC Partners, Inc. ("BGC"), which currently owns 13.5% of the Company's outstanding shares, issued a public letter to the Board in which it criticized the Board's decision to enter into the Proposed Acquisition.

58. BGC stated that it believed "the pending transaction deprives GFI shareholders of the opportunity to realize appropriate value, ***particularly given the significant discount agreed to with respect to the purchase of the brokerage and clearing business . . . a transaction we believe reflects deep conflicts of interest***."

59. Moreover, BGC states that it has repeatedly expressed interest in acquiring ***100%*** of GFI, including through a letter delivered to Gooch and Heffron on July 29, ***the day before*** the Board agreed to the Proposed Acquisition. In defiance of its *Revlon* duties, the Board has refused to engage with BGC, forcing BGC to commence a cash tender offer (the "BGC Tender Offer") for 100% of GFI's outstanding shares at a price of $5.25 per share (for a total equity value of approximately $675 million).

60. The only stated condition on the Tender Offer is that shareholders tender at least 50% of the Company's outstanding shares, including the ones already owned by BGC. Although the Tender Offer's terms are likely less advantageous than those BGC would have offered had the Board honored its fiduciary duties and responded to BGC's overtures rather than protecting the deal it was negotiating with CME, the Tender Offer still provides GFI shareholders with $0.70 per share in additional value, representing a 15% premium over CME's offer. Moreover, the offer provides an all-cash price to GFI shareholders, delivering immediate liquidity in addition to a substantial premium. It is far superior to the Proposed Acquisition.

C. The Board Agreed to Onerous Deal Protections That Unfairly Favor CME Over Other Interested Third Parties

61. In the Merger Agreement, the Board agreed to deal protection devices (collectively, the "Deal Protections") that will preclude a fair sales process for the Company and are designed to favor CME and allow the Management Consortium to acquire the Brokerage Business to the detriment of GFI stockholders, including Plaintiff and the Class. This, too, is a clear violation of its fiduciary duties to act solely in the interests of GFI's shareholders, and is particularly troubling in conjunction with the Management Consortium's actions to secure key GFI assets for itself at bargain basement prices.

1. The Force the Vote Provision and the Support Agreement

62. In connection with its approval of the Merger Agreement, the Board agreed to certain shareholder voting related provisions that serve to ensure GFI shareholders vote on, and approve, the Merger Agreement. Section §6.2 of the Merger Agreement requires GFI to hold a shareholder vote unless the agreement is terminated pursuant to its terms. GFI does not have the right to terminate the Merger Agreement in order to accept a Superior Proposal; the Board can only recommend that its shareholders vote down the agreement due to the existence of a Superior Proposal.

63. While a "force the vote" provision is not *per se* unlawful and is not always a problem standing alone, the Board also consented to a Support Agreement between the Management Consortium, CME, and certain entities affiliated with the Management Consortium. In the Support Agreement, the Management Consortium agreed to vote the shares under their control, representing approximately 38% of GFI's outstanding shares, in favor of the Proposed Acquisition and against any other action that would interfere with the consummation of the Proposed Acquisition or any other proposal to acquire GFI.[3]

[3] What constitutes a relevant takeover proposal in the context of the voting agreement is different from the definitions within both the context of the No-Solicitation provision and the Termination Fee that are discussed below. Here, the

The Management Consortium is also restricted from transferring its shares, which prevents it from tendering shares into a tender offer. Moreover, the Management Consortium granted CME an irrevocable proxy to ensure compliance.

64. Furthermore, there are two additional significantly troubling aspects of this Support Agreement. *First*, Section 3.5 of the Support Agreement provides that if the Merger Agreement is amended to provide GFI shareholders with additional consideration, the Management Consortium will not receive any such increase. Because this concession by the Management Consortium applies only if CME, and not a competing bidder, increases the consideration, CME will be able to use its Matching Rights (discussed below) to match any potential Superior Offer at a significant discount of 38%. In order to match such a Superior Offer, CME would only need to pay 62% of the increased consideration being offered by the third party, as the Management Consortium would not be entitled to receive anything extra from CME.

65. This bidding advantage, equal to 38 cents for every dollar of a topping bid, deters competitive bids from emerging in the first place, and does not provide

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Management Consortium must vote against any proposal that seeks to acquire at least 20% of GFI or GFI's Trayport or FENICS Businesses (among other transactions). This definition encompasses significantly more transactions than those that would allow the Board to recommend to its shareholders to vote against the Proposed Acquisition.

any real benefit to GFI shareholders. To the detriment of GFI shareholders, it unfairly favors the Management Consortium's preferred bidder in CME over other third parties, including BGC.

66. *Second*, the Support Agreement does not automatically terminate if the Merger Agreement is terminated under most circumstances. Rather, it would remain in effect for *twelve months* if the Merger Agreement is terminated should GFI shareholders vote against the Proposed Acquisition. In other words, for one year following shareholder rejection of the Proposed Acquisition, the Management Consortium ***must*** vote against any proposal that seeks to acquire a mere 20% of GFI. Moreover, the Management Consortium may not participate in a tender offer, including the BGC Tender Offer. This would be troubling even if only 50% of GFI stockholders were needed to approve a merger, but it is blatantly coercive in the context of the Company's organizational documents. Article Nine of the Company's Second Amended and Restated Certificate of Incorporation requires that holders of two-thirds of the shares voting at a meeting approve any fundamental corporate transaction.

67. Thus, given the Management Consortium's 38% stake in GFI and its contractual prohibition on supporting any alternative transaction for a year pursuant to the Support Agreement, the Support Agreement and Merger

Agreement operate to paralyze the company and prevent it from completing a sale to any other party except for CME for over one year. The GFI Board has completely disabled itself from considering an alternative.

68. In effect, the Merger Agreement and Support Agreement operate as the colloquially named "dead-hand poison pill." Unlike permissible formulations of a "poison pill," the terms of the Merger Agreement preclude the Board from considering any acquisition offers, even if they are in the stockholders' best interests, and prevent the Board from adequately fulfilling its fiduciary duties for a year following the termination of the Merger Agreement.

69. This is even more troubling in light of the BGC Tender Offer. The only condition BGC has placed on its Tender Offer is that it must result in it owning a majority of the Company's outstanding shares. But the Support Agreement prevents the Management Consortium from tendering its 38% stake or voting in favor of a different merger, until one year following the termination of the Merger Agreement. Therefore, if BGC acquires a majority of the outstanding shares through its Tender Offer, it will be unable to complete a back end merger for at least one year.

70. Ironically, the Support Agreement will thus have the effect of coercing GFI shareholders into tendering its shares to BGC. Shareholders who do

not tender their shares risk being trapped for one year in a company that has a 50% controller on one hand (BGC) and a 38% management share block on the other. Furthermore, there is no guarantee either that BGC would decide to acquire any potential outstanding GFI shares after a year, nor that any such acquisition would be on the same terms as the BGC Tender Offer. Finally, BGC would still need the consent of the Management Consortium in order to complete a merger, consent to which is also far from guaranteed.

71. Moreover, BGC's inability to complete a takeover of GFI for at least a year forced it to offer a depressed price to GFI shareholders in the Tender Offer. Any rational party would offer a lower amount for an asset that it is unable to own completely until an undetermined and speculative time in the future, as opposed to an asset it could promptly, completely, and definitely acquire. Thus, even though the Tender Offer provides more value to shareholders than the Proposed Acquisition, shareholders would still receive a discounted value for their shares as a result of the Support Agreement.

72. In short, the Support Agreement must be stricken because it functions as a dead-hand poison pill and prevents the Company from completing a merger with any company other than CME for one year and depresses the price any third party bidder – including BGC – would be willing to pay to public shareholders and

is thus impermissible. It must be stricken so that third party bidders can be unrestrained and pay the full price GFI shareholders are entitled to receive.

2. The No-Solicitation Provision

73. In §6.5(a) of the Merger Agreement, the Board agreed to a restrictive No-Solicitation Provision that not only prevents the Board from soliciting potential inquiries from third parties that may lead to a competing offer to purchase the Company, but that also precludes the Board from communicating with potential third party suitors, except under very limited circumstances. Section 6.5(a) also requires that the Company terminate any and all prior or ongoing discussions with other potential acquirers.

74. In connection with the No-Solicitation provision, the Board agreed to a very restrictive "fiduciary out" that permits the Board to engage in negotiations with third parties under extremely limited circumstances. The Board can furnish information to and negotiate with third parties only if it receives an unsolicited bona fide written proposal that it believes is, or could reasonably be expected to lead to, a "Superior Proposal."

75. However, §6.5(f) of the Merger Agreement declares that an offer can only be a Superior Proposal if it seeks to acquire either all or substantially all of the assets of GFI or 80% of the voting power of the Company. This is significantly more restrictive than the "superior proposal" definition typically found in deal

agreements, which sets the bar at an effort to acquire only half of a company's stock. It is especially troubling in light of the Management Consortium's agreement to purchase the Brokerage Business from CME.

76. This restrictive definition of "Superior Proposal" prevents the Company from pursuing any alternative transaction with a buyer seeking, like CME, to purchase only a portion of GFI, no matter how beneficial such a transaction could be for GFI's shareholders.

77. The presence of the No-Solicitation Provision and restrictive definition of Superior Proposal are designed to protect the Proposed Acquisition and ensure that the Management Consortium is able to acquire the Brokerage Business at an unfairly low price and without oversight.

3. Access to Information and Matching Rights

78. Sections 6.5(d) and (e) of the Merger Agreement grant CME recurring and unlimited information and matching rights, which provide CME with: (i) unfettered access to confidential and non-public information about competing proposals from third parties, which they can then use to formulate a matching bid and (ii) four business days in which GFI must negotiate in good faith with CME (at CME's discretion) and allow CME to propose amendments to the terms of the Merger Agreement to make a counter-offer should the Board wish to accept a superior proposal from a third party. With the Matching Rights, CME can match

any superior proposal from a third party, but faces no pressure to top that bid.

79. The Matching Rights dissuade potentially interested parties from making an offer for the Company by providing CME with the ability to maneuver around any competing offers and the opportunity to make repeated matching bids to counter any competing superior offers. As a result, the Merger Agreement unfairly favors CME over any potential third party that may provide a superior offer for GFI, and thereby the Company's stockholders, including Plaintiff and the other members of the Class, are harmed.

4. Termination Fee

80. The Board further reduced the possibility of maximizing stockholder value through a superior offer by agreeing to a significant Termination Fee. The Termination Fee is payable if the Board terminates the Merger Agreement and the Company consummates a transaction with another interested party. Thus, the Termination Fee will be payable by any potential third party acquirer, driving up the cost of the acquisition and potentially transferring money to CME that could otherwise could have been paid to GFI stockholders as additional consideration.

81. As discussed above, the Board cannot terminate the Merger Agreement to accept a superior offer unless GFI stockholders fail to vote to approve the Merger Agreement. If the Board accepts a takeover proposal within twelve months of the termination of the Merger Agreement, the Company must

pay CME a termination fee of $20,143,121. This represents 3.5% of the value the Proposed Acquisition places on CME's equity.

82. Furthermore, for the purposes of the Termination Fee, a takeover proposal only needs to seek to acquire 50% of GFI. This stands in stark contrast to the definition of Superior Proposal in connection with the No-Solicitation provision discussed above. Thus, while GFI can only negotiate with a third party who is seeking to acquire substantially all of the assets of the Company, it must pay CME the Termination Fee if it agrees to sell 51% of GFI within twelve months of the termination of the Merger Agreement.

83. The inclusion of the Termination Fee serves to deter competing parties from making bids and prevents the Board from properly exercising its fiduciary duties to maximize value for GFI's shareholders in this transaction.

84. The Termination Fee discourages competing offers and substantially increases the likelihood that the Proposed Acquisition will be consummated, leaving GFI stockholders with limited opportunity to consider any superior offer. The Termination Fee cannot be justified as reasonable or a proportionate measure to protect CME's investment in the transaction process.

85. Collectively, the Deal Protections substantially and improperly limit the Board's ability to investigate and pursue superior proposals and alternatives,

including a sale of all or part of GFI.

86. In pursuing this transaction the Board has breached its fiduciary duties of loyalty and good faith. By knowingly participating in the Board's breach and inducing members of the Board to breach their fiduciary duties, the Corporate Defendants aided and abetted those breaches of duty.

87. In short, the Management Consortium – with the help of its co-defendants – engineered an unlawful two-step transaction that allows its members to profit personally by selling GFI for less than it is worth; spurned superior offers that are in the best interest of shareholders; approved a voting agreement that acts as a dead-hand poison pill and prevents any superior offer for GFI from coming to fruition; and otherwise enacted deal protections that have the effect of dissuading or depressing any other offers to acquire GFI. Accordingly, judicial intervention is warranted to rectify existing and future irreparable harm to the Company's shareholders. Plaintiff seeks equitable relief to enjoin the Proposed Acquisition.

CLASS ALLEGATIONS

88. Plaintiff brings these claims pursuant to Rule 23 of the Rules of the Court of Chancery individually and on behalf of all other holders of GFI common stock (except defendants named herein and any person, firm, trust, corporation, or other entity related to or affiliated with them and their successors in interest) who

are or will be threatened with injury arising from Defendants' wrongful actions as more fully described herein (the "Class").

89. This action is properly maintainable as a class action.

90. The Class is so numerous that joinder of all members is impracticable. While the exact number of Class members is unknown to Plaintiff at this time and can only be ascertained through discovery, Plaintiff believes there are thousands of members in the Class. According to the Merger Agreement, as of July 30, 2014, 126,487,416 shares of GFI common stock were represented by the Company as outstanding. All members of the Class may be identified from records maintained by GFI or its transfer agent and may be notified of the pendency of this action by mail, using forms of notice similar to that customarily used in securities class actions.

91. Questions of law and fact are common to the Class and predominate over questions affecting any individual class member. The common questions include, *inter alia*, the following:

a) Have the Individual Defendants breached their fiduciary duties of undivided loyalty and good faith with respect to Plaintiff and the other members of the Class in connection with the Proposed Acquisition?

b) Have the Individual Defendants breached their fiduciary duty to secure and obtain the best transaction reasonable under the circumstances for the benefit of Plaintiff and the other members of the Class in connection with the Proposed Acquisition?

c) Have the Individual Defendants in bad faith and for improper motives impeded or erected barriers to discourage other strategic alternatives, including offers for the Company or its assets from interested parties?

d) Have the members of the Management Consortium, in their role as officers of GFI, breached their duty of undivided loyalty to GFI shareholders?

e) Would Plaintiff and the other members of the Class would be irreparably harmed were the transactions complained of herein consummated?

f) Have the Corporate Defendants aided and abetted the Individual Defendants' breaches of fiduciary duty?

g) Are Plaintiff and the other members of the Class entitled to injunctive relief or damages as a result of Defendants' wrongful conduct?

92. Plaintiff's claims are typical of the claims of the other members of the Class. Plaintiff and the other members of the Class have sustained damages as a result of Defendants' wrongful conduct as alleged herein.

93. Plaintiff will fairly and adequately protect the interests of the Class, and have no interests contrary to or in conflict with those of the Class that Plaintiff

seeks to represent. Plaintiff is committed to prosecuting this action and has retained competent counsel experienced in litigation of this nature.

94. A class action is superior to all other available methods for the fair and efficient adjudication of this controversy. Plaintiff knows of no difficulty to be encountered in the management of this action that would preclude maintenance as a class action.

COUNT I

Breach of Fiduciary Duty Against the Director Defendants

95. Plaintiff repeats and realleges each and every allegation above as if set forth in full herein.

96. The Director Defendants, consisting of Defendants Gooch, Heffron, Cassoni, Fanzilli, and Magee, have knowingly, recklessly, and in bad faith violated their fiduciary duties of care, loyalty, candor, good faith, and independence owed to GFI's public shareholders and have acted to put their personal interests ahead of the interests of GFI's shareholders.

97. By the acts, transactions and courses of conduct alleged herein, the Director Defendants, individually and acting as a part of a common plan, knowingly, recklessly, and in bad faith are attempting to unfairly deprive Plaintiff and other members of the Class of the true value GFI's Brokerage Business.

98. The Director Defendants have knowingly, recklessly, and in bad faith violated their fiduciary duties by entering into the Proposed Acquisition without regard to the fairness of the transaction to GFI's shareholders.

99. The Director Defendants have knowingly, recklessly, and in bad faith failed to obtain the best transaction reasonably available for GFI in violation of their fiduciary duties.

100. As demonstrated by the allegations above, the Director Defendants knowingly or recklessly failed to exercise the care required, and breached their duties of loyalty, good faith, candor and independence owed to the shareholders of GFI because, among other reasons, they failed to:

a) ensure a fair process;

b) fully inform themselves of the market value of GFI's Brokerage Business before entering into the Proposed Acquisition;

c) fully inform themselves of the market value of GFI before entering into the Proposed Acquisition;

d) act in the best interests of the public shareholders of GFI common stock;

e) prevent the Management Consortium from securing the benefits of ownership of the Brokerage Business for itself to the detriment of GFI's public shareholders;

f) maximize shareholder value;

g) obtain the best financial and other terms when the Company's independent existence will be materially altered by the Proposed Acquisition; and

h) act in accordance with their fundamental duties of good faith, due care and loyalty.

101. Because the Director Defendants dominate and control GFI's business and corporate affairs, and are in possession of private corporate information concerning GFI's assets, business and future prospects, there exists an imbalance and disparity of knowledge and economic power between them and the public shareholders of GFI that makes it inherently unfair for them to pursue any proposed transaction wherein they will reap disproportionate personal benefits to the exclusion of GFI's public shareholders.

102. By reason of the foregoing acts, practices and course of conduct, the Director Defendants have knowingly, recklessly, and in bad faith failed to exercise ordinary care and diligence in the exercise of their fiduciary obligations toward Plaintiff and the other members of the Class.

103. As a result of the actions of the members of the Director Defendants, Plaintiff and the Class have been and will be irreparably harmed. Unless the Proposed Acquisition is enjoined by the Court, the Director Defendants will continue to breach the fiduciary duties owed to Plaintiff and the other members of the Class, will not engage in arm's-length negotiations concerning the Brokerage Business or acquisition of GFI, will not supply to GFI's shareholders sufficient information to enable them to make informed decisions regarding the voting of

their shares in connection with the Proposed Acquisition, will not seek to maximize shareholder value, and may consummate the Proposed Acquisition, all to the irreparable harm of the members of the Class.

104. Plaintiff and the other members of the Class have no adequate remedy at law. Only through the exercise of this Court's equitable powers can Plaintiff and the Class be fully protected from the immediate and irreparable injury which Defendants' actions threaten to inflict.

COUNT II

Breach of Fiduciary Duty Against the Executive Defendants as Officers of GFI

105. Plaintiff repeats and realleges each and every allegation above as if set forth in full herein.

106. The Executive Defendants, consisting of the members of the Management Consortium (Gooch, Heffron, and Brown), in their capacities as officers of GFI, owe and owed the public shareholders of GFI the fiduciary duties of loyalty, due care, and good faith. To fulfill these fiduciary duties, the Executive Defendants were required to act in the best interests of GFI's public shareholders and not sacrifice those interests in favor of their own.

107. The Executive Defendants, as officers of GFI, have knowingly, recklessly, and in bad faith violated their fiduciary duties of care, loyalty, candor,

good faith, and independence owed to GFI's public shareholders and have acted to put their personal interests ahead of the interests of GFI's shareholders.

108. By the acts, transactions and courses of conduct alleged herein, the Executive Defendants, individually and acting as a part of a common plan, knowingly, recklessly, and in bad faith are attempting to unfairly deprive Plaintiff and other members of the Class of the true value GFI's Brokerage Business.

109. The Executive Defendants have knowingly, recklessly, and in bad faith violated their fiduciary duties by causing the Proposed Acquisition without regard to the fairness of the transaction to GFI's shareholders.

110. As officers of GFI, the Executive Defendants, have and had access to extensive non-public information concerning GFI and its Brokerage Business. They have used this information to cause a transaction in which they could acquire the Brokerage Business at a low price, to the detriment of Plaintiff and other members of the Class.

111. As officers of GFI, the Executive Defendants are not entitled to the protections provided to directors by DGCL § 102(b)(7) and GFI's corresponding provision in its Articles of Incorporation.

112. As a result of the actions of the Executive Defendants, Plaintiff and the Class have been and will be irreparably harmed. Unless the Proposed

Acquisition is enjoined by the Court, the Executive Defendants m will continue to breach the fiduciary duties owed to Plaintiff and the other members of the Class, will not supply to GFI's shareholders sufficient information to enable them to make informed decisions regarding the voting of their shares in connection with the Proposed Acquisition, and may consummate the Proposed Acquisition, all to the irreparable harm of the members of the Class.

113. Plaintiff and the other members of the Class have no adequate remedy at law. Only through the exercise of this Court's equitable powers can Plaintiff and the Class be fully protected from the immediate and irreparable injury which Defendants' actions threaten to inflict.

COUNT III

Aiding and Abetting the Individual Defendants' Breaches of Fiduciary Duty Against the Corporate Defendants

114. Plaintiff repeats and realleges each and every allegation above as if set forth in full herein.

115. The Corporate Defendants, consisting of JPI, New JPI, CME, Commodore Acquisition Corp., Commodore Acquisition LLC, Cheetah Acquisition Corp, Cheetah Acquisition LLC, and GFI Brokers Holdco Ltd., are sued herein as aiders and abettors of the breaches of fiduciary duty of the Individual Defendants.

116. The Individual Defendants breached their fiduciary duties of loyalty, care, candor and good faith and fair dealing owed to GFI stockholders.

117. Such breaches of fiduciary duty could not and would not have occurred but for the conduct of the Corporate Defendants.

118. The Corporate Defendants had knowledge that they were aiding and abetting the Individual Defendants' breaches of their fiduciary duties owed to GFI stockholders, and thus knowingly participated in such breaches with the desire to complete the Proposed Acquisition to enrich themselves, including but not limited to structuring the Merger Agreement such that CME is the only viable bidder.

119. The Corporate Defendants induced and provided substantial assistance to the Individual Defendants in their breaches of fiduciary duties owed to GFI stockholders.

120. As a result of the Corporate Defendants aiding and abetting the Individual Defendant's breaches of fiduciary duties, Plaintiff and other members of the Class were damaged in that the Management Consortium was allowed to acquire GFI's Brokerage Business at an unfairly low price.

121. Plaintiff and the other members of the Class have no adequate remedy at law. Only through the exercise of this Court's equitable powers can Plaintiff

and the Class be fully protected from the immediate and irreparable injury which Defendants' actions threaten to inflict.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff demands injunctive relief, in Plaintiff's favor and in favor of the Class, against Defendants as follows:

a. declaring that this action is properly maintainable as a class action;

b. declaring that the Merger Agreement was entered into in breach of the fiduciary duties of the Individual Defendants and is, therefore, unenforceable;

c. declaring that the Executive Defendants have breached their fiduciary duty of loyalty;

d. declaring that the Deal Protections are unlawful, unenforceable, and constitute a breach of fiduciary duty by the Individual Defendants;

e. declaring that the Support Agreement is unlawful, unenforceable, and constitutes a breach of fiduciary duty by the Individual Defendants;

f. declaring that Corporate Defendants aided and abetted such breaches of fiduciary duty by the Individual Defendants;

g. enjoining the Defendants, their agents, counsel, employees, and all persons acting in concert with them from consummating the Proposed Acquisition, unless and until the Company adopts a procedure or process to obtain the highest possible value for shareholders;

h. awarding Plaintiff the costs and disbursements of this action, including reasonable attorneys' and experts' fees; and

i. granting such other and further relief as this Court may deem just and proper.

Dated: September 16, 2014

/s/ Mary S. Thomas
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