



IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

IN RE GFI GROUP INC.) CONSOLIDATED
STOCKHOLDER LITIGATION) C.A. No. 10136-VCL

**PUBLIC VERSION AS FILED
JULY 20, 2015**

AMENDED VERIFIED CLASS ACTION COMPLAINT

Plaintiffs Maurene Al-Ammary and Robert Michocki (“Plaintiffs”) bring this Amended Verified Class Action Complaint (the “Complaint”) against defendants Mickey Gooch, Colin Heffron, Marisa Cassoni, and the Chicago Mercantile Exchange. The allegations in this Amended Verified Class Action Complaint are based on Plaintiffs’ knowledge as to themselves, and on information and belief, investigation of counsel, review of discovery produced to date, and review of publicly available information as to all other matters.

INTRODUCTION

1. Since at least July 2013, the most senior officers of GFI Group Inc. (“GFI” or the “Company”) have done everything in their power to misappropriate the value of the public stockholders’ interest in the Company.

2. These faithless fiduciaries breached their duties by trying to force a self-interested and unfair deal on public stockholders, while steamrolling any efforts by certain of the outside directors to protect those public stockholders’ interests. And when a competing alternative bidder emerged and threatened the

insiders' favored (but crooked) deal, the insiders shamelessly demanded many millions of dollars in payments to themselves, at the expense of their public stockholders, as the price for stopping their value-destructive and disloyal actions.

3. Plaintiffs seek to hold GFI Chairman Mickey Gooch ("Gooch"), CEO Colin Heffron ("Heffron" and with Gooch are the "Insiders") and director Defendant Marisa Cassoni ("Cassoni" and with the Insiders are the "Individual Defendants") accountable for each of the ways that their disloyalty cost the public stockholders the full consideration that they deserved in exchange for their shares, absent the Individual Defendants' serial breaches.

4. In July 2014, Gooch and Heffron attempted to force a sale of the Company on the cheap to the Chicago Mercantile Exchange ("CME" and the "CME Transaction"). The Insiders pushed a sale to CME because CME was willing to accept their unlawful condition of buying the whole business but immediately flipping GFI's brokerage business back to the Insiders at a steep discount. CME offered to pay GFI stockholders just \$4.55 per share. In announcing the deal, Gooch falsely asserted that, after a thorough exploration of alternatives, GFI stockholders were set to receive the best possible deal. But Gooch had expressly refused to consider any deal that did not involve the Insiders acquiring the brokerage business and, consequently, refused to consider a proposal

by BGC Partners, Inc. (“BGC”) to buy the entire company. The Insiders’ disregard of the BGC offer was further fueled by Gooch’s personal hatred for Howard Lutnick, BGC’s controlling stockholder.

5. In an effort to ensure that the CME Transaction would be completed without competition, landing them the brokerage business at a steep discount, the Insiders agreed to a side agreement with CME that prevented them from supporting or tendering into any deal other than the CME Transaction for a full year after termination of the CME merger agreement (the “Dead Hand Tail”), even if the stockholders voted against the CME Transaction. Since the Insiders (through their investment vehicle, JPI) controlled 38% of GFI’s shares, and any extraordinary corporate transaction required a supermajority two-thirds vote, the Dead Hand Tail was designed to deter competition with CME, despite the paltry \$4.55 price offered to GFI’s public stockholders.

6. BGC launched a \$5.25 cash tender offer to compete with the Insiders’ conflicted scheme. Over the next several months, BGC raised its offer several times and CME and the Insiders repeatedly matched BGC’s latest offer.

7. Throughout this period, the Insiders disloyally held the process hostage by, among other things: (i) refusing to negotiate with BGC; (ii) refusing to call meetings of the GFI board of directors (the “Board”) even when its Special

Committee (composed of outside directors Frank Fanzilli, Jr. and Richard Magee) specifically requested meetings in order to consider BGC's offers; (iii) refusing to otherwise consider BGC's offers in good faith, with a focus on the interests of anybody other than the Insiders themselves; and (iv) secretly threatening BGC's counsel with a baseless lawsuit unless they ceased their representation of BGC.

8. Worse yet, Gooch and Heffron repeatedly threatened to diminish the value of GFI in an effort to make it less appealing to BGC. Specifically, Gooch and his cohorts attempted to turn GFI's top brokers against BGC and planted articles in the press suggesting that a BGC acquisition would result in a massive employee walkout. Rather than discharge their fiduciary obligations in good faith, Gooch and Heffron actively sought to destroy stockholder value in furtherance of their own interests.

9. On January 20, 2015, BGC announced what would come to be its final offer: \$6.10 per share. BGC also announced that, if the Board acted quickly to find that the offer was superior to the contemporaneous \$5.85 per share bid by CME and the Insiders, it would increase its offer by another \$0.10 to \$6.20 per share. BGC's January 20 offer had only *one* relevant condition: that BGC obtain two-thirds of the seats on the Board, so that its majority stake in the Company's

equity would not be subject to the whims of Gooch and Heffron (the “Board Condition”).

10. In an effort to secure \$6.20 for GFI’s public stockholders, GFI’s Special Committee immediately found that BGC’s January 20 offer was superior to CME’s offer and resolved to accept the ready-to-sign tender offer agreement that BGC had provided. The Insiders, however, refused to call a Board meeting to adopt the Special Committee’s resolution, thereby losing BGC’s \$6.20 per share offer. Later, with outside director Cassoni’s support, the Insiders voted against BGC’s proposal and in favor of the inferior CME transaction, despite the fact that BGC’s deal was plainly the best deal available for GFI’s public stockholders.

11. The Insiders had simple motivations for blocking the best transaction for GFI’s public stockholders. *First*, they still hoped they could steal the brokerage business for themselves. *Second*, they did not want to let the public stockholders tender to BGC, leaving the Insiders subject to the one-year Dead Hand Tail and with an illiquid minority interest in a BGC-controlled GFI. If BGC closed its tender offer, thereby acquiring over 50% of the shares and control of the Board, BGC would have no obligation or motivation to buy the Insiders out at all – let alone for \$6.10 per share – when the Dead Hand Tail expired. *Third*, the Insiders repeatedly stated that they would never work with or for BGC and its controlling

stockholder, Howard Lutnick. For example, during his deposition, Gooch testified that:

[BGC is] run by a gentleman named Howard Lutnick. They have committed to committing crimes, money laundering. Their relationship with their employees. . . . Significantly, all of the highest producing brokers at my company would never work for BGC under any circumstances, and would not be interest in their stock. . . . I think it's a highly high-risk company, run by irreputable folks who have been indicted for money laundering in Nevada, who have admitted to committing crimes in the UK, that . . . could potentially be guilty of money laundering, who have been banned for periods of time from acquiring any businesses in the industry, who are in litigation with other [brokerage companies] for substantial amounts of outrageous business behavior; and myself, my colleagues, there isn't anybody . . . of the fairly senior staff around our organization [who] would . . . consider or be willing to do business with BGC.

12. Despite the Individual Defendants' disloyalty in allowing the \$6.20 offer to expire, BGC's \$6.10 offer remained on the table, and remained plainly superior to CME and the Insiders' contemporaneous \$5.85 per share offer.

13. On January 30, 2015, with this litigation uncovering the depth of the Insiders' breaches of duty and with a plainly superior deal available, the non-Insider GFI stockholders overwhelmingly rejected the CME Transaction.

14. Even after stockholders expressed their position, the Individual Defendants continued to breach their duties, including by issuing unauthorized corporate press releases that falsified the substance of Board discussions and attempting to intimidate and neutralize the Special Committee. Gooch apparently

cared nothing for niceties like letting outside directors have a say. Indeed, the Insiders' view of how to deal with outside directors is illustrated by a lengthy email Gooch delivered to the Special Committee on January 8, 2015::

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

15. After months of this type of pressure from the Insiders, and when pushed by the Plaintiffs to explain actions that appeared utterly adverse to maximizing stockholder value, on February 6, 2015, the Special Committee disclosed to both Plaintiffs and the Court that it had been “neutered” by the Insiders and was unable to engage in any process unencumbered by the Insiders’ self-interest. Faced with entrenched Insiders maneuvering to avoid a sale to BGC, Plaintiffs moved for an expedited trial on the merits, which the Court scheduled for February 17 and 18, 2015. Benefitting from the pressure of the fast approaching trial, the Special Committee finally secured a direct role in the sales process.

16. The Insiders, however, continued seeking to misappropriate as much value from the public stockholders as possible.

17. Most egregiously, the Insiders conditioned their withdrawal of opposition to a BGC deal on a promise that BGC would buy them out of their 38% interest in GFI (which remains locked up by the Dead Hand Tail with CME) upon expiration of the Dead Hand Tail and at the negotiated tender offer price of \$6.10 per share. The Insiders threatened to walk away from the negotiations without this guaranteed buyout provision.

18. The Insiders further held the deal hostage until they negotiated lucrative employment and noncompetition agreements, further siphoning value that could have gone to GFI's public stockholders.

19. By conditioning their support for a transaction with BGC on their personal receipt of the tender offer price and new employment and noncompetition agreements, the Insiders disloyally diverted money that otherwise could have gone to the public stockholders.

20. BGC had offered \$6.20 for GFI's public equity at a time when: (i) the Insiders were actively urging employees to leave the Company if BGC purchased it; (ii) those same Insiders were free to open up a competing business to further destroy GFI's value in BGC's hands; and (iii) the Insiders were publicly and privately telling employees, customers, and the market that BGC was a vile and criminal enterprise. In other words, BGC had been prepared to proceed at \$6.20 per share in the face of open management hostility and *without* contractual noncompetition agreements. Indeed, the January 20 tender offer stated it was an offer to purchase shares "for \$6.20 (such amount *or any greater amount* per share to be paid pursuant to the Offer being hereafter referred to as the 'Offer Price').

21. The Insiders – who were fiduciaries obligated to negotiate the best price for the *public* stockholders – have repeatedly put their interests ahead of

GFI's public stockholders in violation of their obligations under Delaware and to the public stockholders' detriment.

PARTIES AND RELEVANT NON-PARTIES

22. Plaintiffs Maurene L. Al Ammary and Robert Michocki have been, at all relevant times, shareholders of GFI common stock.

23. Defendant Michael Gooch founded GFI in 1987 and served as the Company's CEO from 1987 until 2013. Gooch owns 70% of JPI, GFI's largest stockholder. Primarily through his interest in JPI, Gooch is the beneficial owner of 37.3% of GFI's outstanding stock. Gooch was the leader of the management group that sought to acquire GFI's brokerage business in connection with the CME Transaction.

24. Defendant Colin Heffron joined GFI as an employee in 1988. Heffron served as a director of GFI since 2001, as its President since 2004, and as its CEO since 2013. Heffron was also a member of the management group that sought to acquire GFI's brokerage business in connection with the CME Transaction.

25. Defendant Marisa Cassoni served as a director of GFI since 2005. Cassoni also served on the Special Committee until December 5, 2014, when she resigned. Although she initially voted with the Special Committee when considering BGC's proposals, after resigning from the Special Committee she

aligned herself completely with the Insiders. And, although she voted in favor of the CME Transaction at far lower prices to the public stockholders, she opposed the higher-priced BGC deal until the moment Gooch was adequately paid off.

26. 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. Though it failed in its bid to acquire GFI, it maintains rights to enforce the Dead Hand Tail – a right it would not have had but for its knowing participation in Gooch and Heffron's breaches of their fiduciary duties when negotiating the self-interested CME Transaction.

27. Defendant Jersey Partners, Inc. ("JPI") is a New York corporation controlled by Gooch. Heffron is a minority stockholder in JPI. JPI held approximately 37.3 % of GFI and was its largest stockholder.

28. Non-party Frank Fanzilli, Jr. served as a director of GFI beginning in 2005. Fanzilli also served on the Special Committee.

29. Non-party Richard Magee served as a director of GFI beginning in 2010. Magee also served on the Special Committee.

30. Non-party 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.

31. 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.

32. 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.

33. 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”). [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

FACTUAL ALLEGATIONS

I. THE CME TRANSACTION

34. On July 30, 2014, GFI and CME announced the CME Transaction, a two-step transaction in which GFI would be sold and then split up.

35. 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 CME Transaction placed a value of \$580 million on GFI’s equity. The enterprise value of the transaction, including debt, was \$820 million.

36. Following this first step, CME would retain only GFI's Trayport and FENICS businesses. CME would then sell GFI's brokerage business – consisting of both its wholesale brokerage and its clearing businesses – to the Insiders.

37. At the time Gooch negotiated the CME Transaction, GFI was experiencing 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).

38. In a press release announcing GFI's second quarter 2014 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.

39. In other words, GFI's brokerage business is cyclical, and was in a down-cycle at the time Gooch negotiated the CME Transaction. Thus, the Board agreed to the CME Transaction in a manner that would allow the Insiders to benefit tremendously by taking the brokerage business private at a depressed value that did not accurately reflect its worth.

40. In the week before the announcement of the CME Transaction, 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. The depressed price, however, was a function of the cyclical nature of the business and was not representative of the true value of GFI. As Gooch candidly explained to a potential lender, the Insiders would soon not be able to afford the brokerage business because its value was set to be recognized by the market and would skyrocket.

41. Gooch and Heffron timed the contemplated CME Transaction opportunistically so that they could pay as little as possible for the brokerage business and accrue all of the benefits of the inevitable upswing in the cycle.

A. GOOCH AND HEFFRON NEGOTIATE THE UNFAIR CME TRANSACTION IN BREACH OF THEIR FIDUCIARY OBLIGATIONS

42. The CME Transaction resulted from a flawed negotiation process in which Gooch and other self-interested members of the GFI management team put their interests ahead of the public stockholders. The outside directors on the belatedly-formed Special Committee were either absent, marginalized, or powerless to overcome Gooch's control over the negotiations.

43. Unbeknownst to the outside directors, Gooch began planning his acquisition of GFI's brokerage business with the assistance of Jefferies – the

Company's supposed financial advisor – long before it was disclosed to the outside directors or stockholders.

44. On February 12, 2013, Jefferies pitched Gooch for GFI to retain the bank for a possible strategic transaction. Jefferies, then-untainted by the Insiders' personal interests, recommended that GFI could achieve maximum value by selling the whole Company to a competitor in the brokerage space, such as BGC, thereby unlocking as much as [REDACTED] in synergies that could be used as negotiating leverage for the benefit of GFI's public stockholders. Alternatively, Jefferies proposed marketing the entire company to such competitors while exploring a separate sale of the Company's software assets. Jefferies calculated that GFI's brokerage business might be worth as much as [REDACTED] to BGC, or other brokerage competitors, such as ICAP, Tullet Prebon and Tradition.

45. Without conferring with the Board, Gooch rejected any structure that did not result in the Insiders' private ownership of the brokerage business. According to internal Jefferies emails, Gooch wanted [REDACTED]
[REDACTED] Gooch admitted to the same when he finally disclosed his negotiations with CME to the Board in October 2013, and again at deposition during the course of this litigation.

46. By April 23, 2013, when Jefferies made its next presentation to Gooch (and long before the independent directors caught wind of a possible transaction), the Insiders had already decided on a transaction structure substantially identical to the proposed CME Transaction. Specifically, the Insiders would purchase the brokerage business from a third-party acquirer, which would retain only the software assets.

47. At the Board's June 6, 2013 meeting, Gooch falsely informed the Board that the Company was not considering any merger opportunities and had no plans to dispose of any assets. Later, when seeking stockholder approval for the CME Transaction, the Company's proxy materials would seek to distort this fact by suggesting that Gooch provided a full and accurate summary of his exploration of strategic alternatives at various meetings in 2013.

48. One month later, on July 1, 2013, without authorization from the Board (or, in fact, even the awareness of the independent directors), Gooch had Jefferies contact potential third-party acquirers about their ability and willingness to acquire the whole company and completing a forward sale of the brokerage to the Insiders. None of the parties Jefferies contacted had a brokerage business. Accordingly, Jefferies did not believe any of the potential software bidders would

have any meaningful synergies with the brokerage business, such that they were poor candidates to acquire all of GFI in a value maximizing transaction.

49. Gooch did not disclose these efforts to the full Board until its October 17, 2013 meeting, at which point he made clear his unwillingness to support the sale of the brokerage business unless it involved a potential investor group involving him and Heffron.

50. Notwithstanding the Insiders' admitted self-interest, the Board did not form the Special Committee until January 15, 2014. Instead, Gooch and Jefferies continued to negotiate a transaction with CME. No person in the negotiation, however, sought to protect GFI public stockholders' interests and no one, including Jefferies, negotiated against Gooch to achieve a better price for GFI stockholders.

51. By the time of the Special Committee's formation, Gooch and CME had already negotiated the bulk of the substantive terms of the transaction, including the price and the transaction structure.

52. Although the Board formed the Special Committee, Gooch refused to allow it to carry out its mandate. For example, the Special Committee had its financial advisor, Greenhill, initiate a market check following a presentation by Greenhill concerning other potential merger partners and suitors (including BGC). Greenhill's presentation specifically noted that [REDACTED]

[REDACTED]. Greenhill further noted, however, that there was [REDACTED]

[REDACTED] In short, the disdain Gooch and other members of GFI management had for BGC was no secret. Indeed, when BGC ultimately threatened his negotiated transaction with CME, Gooch went so far as to say that BGC was engaged in various forms of unlawful conduct.

53. Gooch terminated the market check when he learned of it. He told the Special Committee that he would not agree to sell JPI's 38% interest in any alternative transaction (particularly not one with Lutnick).

54. With its hands so thoroughly tied by Gooch, the Special Committee failed to achieve any meaningful increase in price from January 15, 2014 – at which point Gooch had almost fully negotiated the deal – and July 30, 2014, when the initial merger agreement was signed.

55. CME knew that between the Insiders' misconduct and the its Dead Hand Tail, the Special Committee could not muster any competition against the \$4.55 deal it had with the Insiders. CME was so confident in its position that its Senior Managing Director for Corporate Development & Finance, John Pietrowicz,, joked that the parties could complete the CME Transaction by

“allow[ing] each Special Committee member to select one item off the dollar menu at McDonalds to close this out.”

56. When asked by CME to provide GFI stockholders with a fairness opinion on the follow-on sale of the brokerage business to the Insiders, the Special Committee and Greenhill refused, going as far as threatening to walk away from the deal if CME insisted on such an opinion. But for Plaintiffs’ efforts in this litigation, this fact would not have been disclosed to GFI stockholders.

57. On July 29, 2014, the Board met to discuss the Special Committee’s recommendation to approve the CME Transaction and related documents. That same day, BGC’s president wrote a letter to Gooch and Heffron proposing discussions for BGC to acquire GFI at “a price per share at a substantial premium to current trading prices. . . .” Gooch presented the letter to the Special Committee, but told the Board that JPI would vote against *any* deal other than the proposed CME Transaction. In other words, no matter how high of a premium the well-financed BGC was willing to pay to acquire GFI, Gooch and Heffron would not agree to any such transaction, irrespective of their fiduciary obligation to maximize value to the public stockholders. Without even taking a break for the Special Committee to independently deliberate on BGC’s overture, the Board then proceeded to approve the proposed CME Transaction.

B. THE SUPPORT AGREEMENT

58. When approving the CME Transaction, the Board approved a number of preclusive deal protections designed to ensure the success of the CME Transaction and the deterrence of competing bidders. Most relevant to Plaintiffs' claims is the voting and support agreement between JPI and CME (the "Support Agreement"). Pursuant to the Support Agreement, JPI agreed to vote its 38% interest in GFI in favor of the CME Transaction. The Support Agreement also precluded the Insiders from transferring their shares, including by tendering into any competing tender offer. By virtue of the Support Agreement, the Insiders' interests conflicted with the interests of the public GFI stockholders when evaluating the subsequent BGC tender offer.

59. The Support Agreement's voting restriction had a "tail," meaning that it survived for 12 months following a negative stockholder vote on the CME Transaction. As a practical matter, the Dead Hand Tail precluded the sale of more than 62% of the Company for a twelve month period. Pursuant to Article Nine of the Company's Second Amended and Restated Certificate of Incorporation, a fundamental corporate transaction, like an acquisition of GFI by BGC, requires the affirmative votes of two-thirds of the actual votes cast at a stockholder vote on such a transaction. With 38% of the voting stock precluded from voting for any

alternative transaction to the CME Transaction, no such transaction could be completed during the 12-month tail period.

60. BGC's inability to complete a takeover of GFI for at least a year forced it to offer a depressed price to GFI stockholders in the BGC tender offer. As admitted by Jefferies, the Company's supposed financial advisor on the CME Transaction, any rational party would offer a lower amount for an asset that it is unable to own completely until an undetermined time in the future, as opposed to an asset it could promptly, completely and definitely acquire. Thus, even though the BGC tender offer ultimately provided more value to stockholders than the proposed CME Transaction, it still reflected a discount to the amount BGC would likely have paid if the Dead Hand Tail did not exist and it could promptly close its acquisition.

61. In connection with the CME Transaction, the Board agreed to a very narrow "fiduciary out" that permitted it to negotiate with third parties only if it received an unsolicited *bona fide* written proposal that the **Board** believed was, or could reasonably be expected to lead to, a "Superior Proposal." By vesting authority in the full Board to make such a determination, the CME merger agreement provided Gooch and his cohorts with unilateral power to obstruct any efforts by the Special Committee to negotiate with BGC. For example, Gooch

refused to timely call meetings of the Board to discuss the Special Committee's recommendations with respect to BGC's escalating offers, and precluded the Special Committee and its advisors from meaningfully deliberating when those meetings finally were called.

II. BGC BEGINS A BIDDING WAR

62. On September 8, 2014, BGC's president wrote to the Board again, noting that BGC had repeatedly expressed an interest in acquiring GFI. The letter noted GFI's lack of engagement after the July 29 letter. It further stated that BGC was going to commence a cash tender offer initially priced at \$5.25 per GFI share.

63. On October 16, 2014, CME and GFI filed a Registration Statement on Form S-4 containing their joint proxy statement/prospectus (the "Original Proxy").

64. On October 22, 2014, BGC commenced the BGC Tender Offer at \$5.25 per share.

65. Gooch opposed any deal with BGC. Not only did a potential BGC transaction threaten the Insiders' self-interested deal with CME, but Gooch also had personal animus toward BGC's chairman, Howard Lutnick. During his deposition in this case, Gooch "explained" that:

[BGC is] run by a gentleman named Howard Lutnick. They have committed to committing crimes, money laundering. Their relationship with their employees Significantly, all of the highest producing brokers at my company would never work for BGC under any circumstances, and would

not be interest in their stock I think it's a highly high-risk company, run by ir[e]utable folks who have been indicted for money laundering in Nevada, who have admitted to committing crimes in the UK, that . . . could potentially be guilty of money laundering, who have been banned for periods of time from acquiring any businesses in the industry, who are in litigation with other [brokerage companies] for substantial amounts of outrageous business behavior; and myself, my colleagues, there isn't anybody . . . of the fairly senior staff around our organization [who] would . . . consider or be willing to do business with BGC.

66. On December 2, 2014, CME and Gooch increased their joint offer to \$5.25 per share, payable either in cash or stock. The increased price reflected an additional \$89 million that the Insiders agreed to pay to acquire the brokerage business. CME, on the other hand, did not add anything to the value of the offer.

67. On December 5, 2014, Cassoni resigned from the Special Committee, though she retained her seat on the Board. From the moment of her resignation from the Special Committee, Cassoni faithfully did Gooch's bidding, including by blocking the Special Committee from doing the job it was supposed to do.

68. On December 11, 2014, BGC's president sent another letter to the Board and the Special Committee notifying them of BGC's revised proposal for \$5.45 per share in cash. Later, on December 19, 2014, BGC raised its tender offer price to \$5.45 per share.

69. On December 12, 2014, the Special Committee met and reviewed BGC's December 11 proposal. The Special Committee unanimously determined

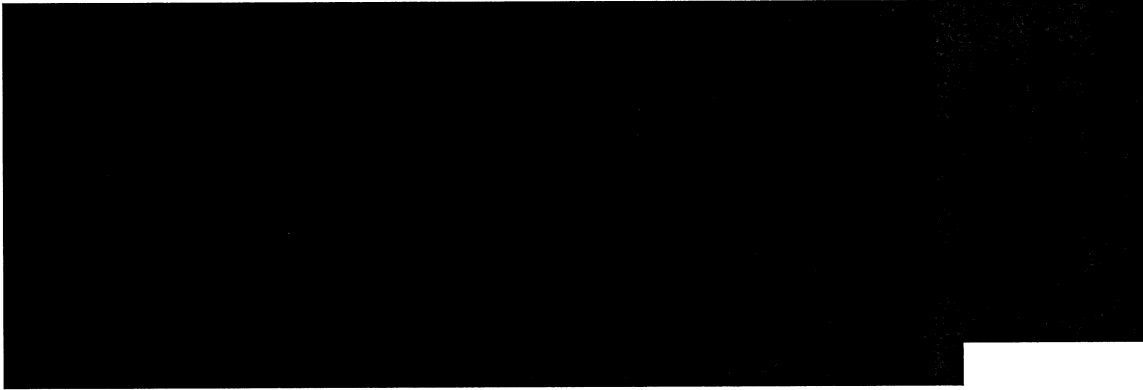
that the proposal could reasonably be expected to lead to a Superior Proposal, as that term is used in the CME merger agreement.

70. The Special Committee then sought to schedule a meeting with the full Board right away to recommend that it also conclude that BGC's \$5.45 offer could lead to a Superior Proposal, as required by Section 6.5 of the CME Merger Agreement.

71. Gooch refused to convene a meeting of the full Board for six days. Even then, Gooch filibustered. Though the Board convened initially on December 18, 2014 to consider the Special Committee's recommendation, it was not until December 23 that the full Board – with Gooch and Heffron abstaining – determined that BGC's revised proposal could reasonably be expected to lead to a "Superior Proposal, as that term is used in the CME Merger Agreement. Thus, Gooch used his position as a director to thwart and delay action sought by the Special Committee.

72. Around the same time, the Insiders tried to derail the BGC offer by attacking BGC's counsel, Wachtell Lipton. On December 17, 2014, the Special Committee wrote Christopher D'Antuono (GFI's general counsel) that:





73. After the December 23 meeting, the Special Committee was finally able to discuss the \$5.45 offer with BGC, and proceeded to negotiate improvements. Gooch, however, would then abuse his position as an officer of the Company to frustrate the Special Committee's efforts.

74. On January 4, 2015, the *Financial Times* published an article entitled "Top GFI staff seek exit clause if rival BGC bid succeeds." The article reported that GFI employees "have sought new clauses [in their employment contracts] that would enable them to quit GFI without breaching their employment terms or potentially facing legal action and losing deferred bonus payments if [GFI] is bought by BGC." In other words, employees purportedly sought amendments to their employment contracts allowing them to quit – and receive various unvested and supposedly deferred compensation – if BGC acquired the Company. The *Financial Times* reported that "senior GFI executive[s]" are "look[ing] at this very seriously and very closely."

75. Upon information and belief, Gooch and Heffron, or someone acting on their behalf, encouraged and incited these demands as a means to privilege the Insiders' conflicted joint bid to acquire the Company with CME over the competing BGC offer. Moreover, these planted stories were designed to make GFI look less attractive to BGC in order to dissuade its pursuit of the Company. It is telling that the Insiders would threaten and risk harm to GFI's business (and, consequently, the public stockholders' interest in the same), rather than discharge their fiduciary obligations in good faith.

76. On January 5, 2015, the Special Committee unanimously recommended that the Board effect a Change in Recommendation in favor of BGC's revised December 11 proposal. The Special Committee then immediately requested that a Board meeting be held to act on that recommendation.

77. While the Special Committee notified GFI of its recommendation on January 5 and requested a full board meeting for the following day, Defendants Gooch and Heffron did not promptly schedule a meeting. Instead, they stalled for *nine* additional days, until January 13, 2015. By that date, CME had increased its offer to \$5.45 per share and the Special Committee promptly voted to approve another amendment to the CME merger agreement reflecting this price increase.

78. Also on January 13, 2015, however, just after the Special Committee voted to approve a deal with CME at \$5.45, BGC increased its offer to \$5.60 per share. BGC provided an executed tender offer agreement that committed BGC to advance \$61 million to GFI to pay: (i) a termination fee under the merger agreement with CME; (ii) fees and expenses incurred in connection with the negotiation and preparation of the tender offer agreement; and (iii) up to \$15 million of borrowings under GFI's credit agreement.

79. On January 15, 2015, GFI and CME announced that CME and the Insiders were raising their bid to \$5.60.

80. Later in the day on January 15, 2015, BGC announced that it was increasing its tender offer price to \$5.75 and that it had delivered an executed agreement to GFI that, if countersigned, provided that BGC would increase its tender offer further to \$5.85 per share.

81. The Special Committee met immediately and unanimously determined that the BGC's January 15 proposal could reasonably be expected to lead to a Superior Proposal.

82. The Board failed to countersign the tender offer agreement, and in fact, failed to even meet to consider and vote on the Special Committee's

recommendation that BGC's January 15 proposal was likely to lead to a Superior Proposal until a Board meeting on January 19, 2015.

83. At the January 19, 2015 Board meeting, Special Committee members Fanzilli and Magee (in their board capacities) voted in favor of the Special Committee's recommendation to permit engagement with BGC. Gooch, Heffron, and former Special Committee member Cassoni voted *against* the Special Committee's recommendation. Breaking with prior practice, Gooch and Heffron did not abstain and Cassoni reversed her prior support for BGC's topping offer. Cassoni asserted that she voted down the Special Committee's recommendation regarding the new BGC proposal because "she believed that [it] was highly conditional and presented significant execution risks." The lie is given to this assertion by the fact that Cassoni voted (in her Special Committee and board capacities) in favor of determinations that previous BGC proposals were likely to lead to "Superior Proposals" on September 11 and December 23, 2014. Both of those previous proposals came with equivalent or greater execution risks and conditions, and offered lower compensation to stockholders. Moreover, Cassoni obstructed the BGC bid only up to the point that Gooch and Heffron got paid – not until some unspecified (and, in fact, fictitious) "condition" was satisfied. The only

reasonable explanation is that Cassoni put the interests of the Insiders ahead of the interest of GFI's public stockholders.

84. On January 20, 2015, CME and the Insiders revised their bid again to increase the consideration to \$5.85 per share, matching BGC's pending bid.

85. On the same date, in response to a number of allegations made in this litigation, the proxy materials were amended to reflect a number of key process defects and financial information that Plaintiffs claimed were omitted or otherwise misrepresented in the proxy materials. The final disclosures to stockholders also contained certain corrected financial analyses prepared by Greenhill after a deposition of one of its representatives in this action.

86. Later that same day (January 20, 2015), BGC announced that it had increased its tender offer to \$6.10 per share and extended the tender offer deadline to February 3, 2015 (the "January 20 Revised BGC Proposal"). BGC also announced that, similar to its January 15 offer, it was willing to increase the offer to \$6.20 if GFI's Board properly declared the \$6.20 offer a potentially "Superior Proposal," thus commencing CME's "match period" by midnight that night. With BGC's \$6.20 offer, Lutnick issued the following statement:

For too long, the GFI Special Committee and Board have failed to act in the best interests of all GFI shareholders and have instead chosen to focus on *outrageous, deceptive, and self-serving arguments made by GFI management.*

Of course, at the time, Lutnick could not have known that the Special Committee was, in fact, endeavoring to engage with BGC, but he clearly recognized the Insiders' disloyalty.

87. The Special Committee immediately reviewed the January 20 Revised BGC Proposal and unanimously determined that it was reasonably likely to lead to a Superior Proposal. Once again, Gooch, Heffron, and Cassoni refused to call a Board meeting, squandering the \$6.20 bid and the Board's leverage to extract a higher price from BGC. Indeed, the January 20 tender offer documents suggested that BGC might even pay a higher price than \$6.20, when defining "Offer Price" to mean \$6.20 "or any greater amount per share to be paid" pursuant to the tender offer.

88. On January 21, 2015, Institutional Shareholder Services, a leading independent proxy advisory service, recommended that GFI stockholders vote against the CME Transaction.

89. On January 22, Glass Lewis & Co. ("Glass Lewis"), another leading proxy advisory service, also came out against the proposed CME Transaction, recommending that GFI's stockholders vote against it. In its report, Glass Lewis highlighted that "[t]he GFI Board's flawed and conflicted process failed to extract any significant semblance of maximum value or a favorable price."

90. The Board finally met on January 22, 2015 to consider and vote on the Special Committee's recommendation that the January 20 Revised BGC Proposal was likely to lead to a Superior Proposal.

91. Just like the Board vote regarding the BGC's prior January 15 proposal, the Special Committee members (in their Board capacities) voted in favor of the Special Committee's recommendation, while Gooch, Heffron, and Cassoni obstructed the deal that was clearly in the public stockholders' best interests. Cassoni again asserted that she voted down the Special Committee's recommendation because "she believed that [the January 20 Revised BGC Proposal] remain[ed] highly conditional and present[ed] significant execution risks." Again, this assertion cannot be reconciled with Cassoni's earlier votes in favor of determinations that previous BGC proposals were likely to lead to Superior Proposals. Again, Gooch and Heffron voted against the Special Committee's recommendation.

92. Over the Special Committee's objections, and in a glaring elevation of the Insiders' interests ahead of the public stockholders' interests, the Board then entered into the amended merger agreement with CME at the lower, \$5.85 per share price, despite the outstanding higher offer from BGC.

III. DEFENDANTS ATTEMPT TO THWART A DEAL WITH BGC

93. GFI's stockholders voted down the CME Transaction at the January 30 special meeting of stockholders. CME and GFI then announced the termination of their merger agreement. Rather than recognizing defeat and securing the best deal for the Company's stockholders, the Insiders remained intransigent until Plaintiffs and the Special Committee forced them to act. Even then the Insiders extracted every last available penny for themselves.

A. THE INSIDERS RESPOND TO THE STOCKHOLDERS' REJECTION OF THE CME TRANSACTION WITH MISSTATEMENTS AND SPITE

94. According to Amendment 8 to the Schedule 14D-9 filed by GFI on February 5, 2015 ("Amendment 8"), after the stockholders rejected the CME Transaction, the Board met later in the day on January 30 and "determined, by a majority vote of the directors upon recommendation of the Special Committee," to terminate the agreements related to the CME Transaction.

95. GFI then issued a press release (the "January 30 Press Release"), entitled "GFI Board Announces Exploration of Strategic Alternatives," stating that "the Company's Board of Directors will explore strategic alternatives with any and all interested parties to maximize shareholder value for all shareholders."

96. With BGC's tender offer scheduled to close on February 3, 2015, the Insiders issued the January 30 Press Release as if it presented an accurate and complete picture of the view of the full Board. It did not.

97. GFI issued another press release, on February 2, 2015 entitled "GFI Group Board Comments on BGC Tender Offer" (the "February 2 Press Release"). The February 2 Press Release went even further in misrepresenting the Board's position, stating:

The GFI Board urges shareholders to take no action on the BGC tender offer at this time. As announced on Friday, the GFI Board is actively engaged in a process to explore strategic alternatives with any and all interested parties to maximize shareholder value for all shareholders. These alternatives could include, among others, joint ventures, mergers and/or acquisitions. The Board has previously reviewed the unsolicited BGC tender offer, which contains provisions and conditions that make it highly unlikely to succeed in providing any value for shareholders. The Board urges GFI shareholders not to tender into the BGC tender offer and wait for the Board to conduct its strategic review.

98. Like the January 30 Press Release, the Insiders issued the February 2 Press Release as if it presented an accurate and complete picture of the view of the full Board. Again, it did not.

99. On February 3, 2015, at Plaintiffs' demand for an explanation of the outrageous decision to "explore alternatives" when a years'-long process culminated in a heated, public bidding war, the Special Committee admitted to Plaintiffs that the Special Committee directors had not voted to urge GFI

stockholders against tendering their stock to BGC. The Special Committee also revealed that its members had not voted to block the BGC tender offer after the termination of the merger agreement with CME or to explore new strategic alternatives (with a \$6.10 tender offer from BGC set to expire on February 3, 2015). The Special Committee further informed Plaintiffs that its members had not voted to issue the February 2 Press Release, were not given a draft of the February 2 Press Release, and did not even know that GFI intended to issue the February 2 Press Release.

100. Notably, Amendment 8 further states that at the February 2, 2015 GFI Board meeting, the Board discussed potential strategic transactions and that “the Board authorized *management* to engage in discussions with third parties and to further explore these potential transactions.” (Emphasis added.) Critically, this inexplicable grant of authority to conflicted and disloyal officers was never revoked, later permitting the Insiders to negotiate hundreds of millions of dollars in consideration for JPI’s shares in JPI, at the expense of the public stockholders.

101. Specifically, the “management” that the Board authorized to negotiate with BGC was the Insiders. This decision could not have been made in good faith. Gooch and Heffron persistently and adamantly opposed a transaction with BGC, the only suitor that had been disclosed to the stockholders and the putative victors

of the bidding war. Meanwhile the Dead Hand Tail, their interest in controlling GFI and their concerns with becoming minority stockholders in a company that BGC and Lutnick controlled brought their personal financial interests in conflict with the interests of GFI's other stockholders – stockholders who overwhelmingly demonstrated their support for a transaction with BGC by voting down the CME Transaction.

B. PLAINTIFFS GET AN EXPEDITED TRIAL TO STOP THE INSIDERS FROM HARMING GFI STOCKHOLDERS ANY FURTHER

102. With the Insiders issuing fraudulent press releases and neutering the Special Committee, Plaintiffs moved for an expedited trial on the merits.

103. During a February 6, 2015 telephonic conference with this Court (the “February 6 Conference”), counsel for the Special Committee recounted that which was disclosed to Plaintiffs’ counsel on February 3. Specifically, counsel for the Special Committee disclosed that the Special Committee had not merely recommended termination of the CME Transaction. Rather, the Special Committee recommended a five-step process that included termination of the CME merger agreement, signing of the BGC agreement, satisfaction of the BGC conditions (including the Board Condition), supplying disclosure schedules, and taking other actions to consummate a deal with BGC. In other words, after

stockholders voted down the CME Transaction, the Special Committee wanted to negotiate BGC back to \$6.20 per share and sign up a deal with BGC.

104. Defendants Gooch and Heffron, however, refused to allow the Special Committee to discuss BGC's then-pending offer (set to expire on February 3, 2015) at the January 30, 2015 Board meeting – a meeting which lasted only five minutes. Instead, Gooch, Heffron, and Cassoni voted to terminate the CME Transaction despite protestations by the Special Committee members that they could not cast an informed vote on termination if they were not allowed to ask questions. Gooch, Heffron, and Cassoni simply said that they did not need the votes of the Special Committee members and proceeded to vote on terminating the CME Transaction, and refused to approve BGC's offer, without the Special Committee members' participation.

105. During the February 6 Conference, counsel for the Special Committee also confirmed that the January 30 and February 2 Press Releases were not accurate and that the process leading to their issuance was contrary to past precedent. The Special Committee did not know the releases were to be issued and the Special Committee was not given an opportunity to comment on the releases. The Special Committee has made clear that the January 30 and February 2 Press Releases were issued unilaterally by Gooch and Heffron in an effort to influence

the Company's public stockholders' decisions on BGC's offer, and that the Insiders misrepresented the Board process in order to do so.

106. In light of the disclosures made by counsel to the Special Committee, and the record developed to date, this Court granted Plaintiffs' request for expedition and scheduled trial in this matter to commence February 17, 2015.

107. With trial fast approaching, the Insiders were running out of options. Plaintiffs used this leverage to obtain an order through which the Board disclosed certain past misconduct in public filings and permitted the Special Committee to participate in the sales process (the "February Order"). Specifically, in exchange for delaying trial, the February Order required the Insiders to: (i) cause GFI to correct various statements contained in the Amendment 8 disclosing the information provided by counsel to the Special Committee at the February 6 Conference, (ii) disclose to the Special Committee any exploration of alternative transactions prior to doing so, and (iii) permit any Board member to place any issue related to strategic alternatives on the agenda for board meetings.

IV. GFI AGREES TO A DEAL WITH BGC, ONLY AFTER THE INSIDERS EXTRACT MILLIONS OF DOLLARS FOR THEMSELVES AT THE EXPENSE OF THE PUBLIC STOCKHOLDERS

108. On or about February 19, 2015, BGC and GFI agreed to a transaction whereby Company stockholders, *including the Insiders*, receive \$6.10 for their shares (the “BGC Transaction”).

109. The BGC Transaction was the culmination of a flawed process inextricably tainted by disloyal directors. By refusing to negotiate with BGC during an active bidding war with CME, the Individual Defendants sacrificed valuable leverage that could have led BGC to over even more than \$6.20 per share to GFI’s public stockholders. Then, after stockholders voted down their preferred transaction with CME, the Insiders, using their positions as directors and officers, negotiated exorbitant benefits for themselves and never bothered getting any benefits for the other stockholders. The Individual Defendants’ flagrant disloyalty harmed the stockholders in at least three ways, each of which took millions of dollars from GFI’s public stockholders.

110. *First*, the Individual Defendants were wholly responsible for failing to secure BGC’s binding offer of \$6.20 per share for GFI’s stockholders. BGC made this offer despite Gooch and Heffron’s vocal opposition and threats to stage an employee walkout. BGC also made this offer knowing that because of the Dead

Hand Tail it would not have to pay the same \$6.20 to the Insiders, and without conditioning the offer on the receipt of any non-competes or other restrictive covenants. Thus, it is without dispute that BGC would have paid \$6.20 per share for 62% of GFI. GFI stockholders ended up with only \$6.10 per share specifically because of the Insiders' bad faith refusal to satisfy the Board Condition until and unless they received a windfall for their shares – *i.e.*, a promise that the Insiders would receive the tender offer price of \$6.10 per share upon expiration of the Dead Hand Tail.

111. Notably, because of the Individual Defendants' misconduct, the Special Committee repeatedly called for the Insiders to make up the \$0.10 per share difference they cost GFI's public stockholders. Indeed, the minutes of a Special Committee meeting on February 19, 2015, state that the Special Committee resolved that it:

recommend[ed] to the Board that Jersey Partners Inc., ("JPI") and/or its affiliates pay to the Company's non-JPI shareholders the \$0.10 price difference between the \$6.20 Offer Price and the Offer price.

112. Similarly, the February 25, 2015 Schedule 14D-9 for the BGC deal bluntly stated that the Special Committee: "recommend[ed] to the Board that JPI and/or its affiliates pay to the GFI stockholders that are not stockholders of JPI the

\$.10 price difference between the January 20 Tender Offer Agreement and the [BGC] Offer.”

113. *Second*, the Insiders abused their positions as fiduciaries to extract a per share price for JPI’s holdings that it would never have been able to obtain absent Gooch and Heffron’s self-interested motivation. Simply put, anyone negotiating on behalf of GFI’s public stockholders would have readily understood that JPI’s shares were worth less than the \$6.10 the Insiders demanded. Because the Insiders led negotiations, the proverbial foxes were in charge of the henhouse, and GFI’s public stockholders were left unprotected.

114. Despite a fiduciary duty to maximize the value BGC paid to GFI’s public stockholders, the Insiders conditioned their withdrawal of heated opposition on an assurance that BGC would buy them out at the same \$6.10 per share. As reflected in the February 19, 2015 Board Minutes, Gooch and his cohorts repeatedly threatened to scuttle any deal for \$6.10 involving BGC unless it “includ[ed] the protection provided for all shareholders to have an opportunity to tender.” Meanwhile, Cassoni supported the Insiders’ threats. The Insiders thus extracted BGC’s agreement to buy their stock after the Dead Hand Tail expired, for the same \$6.10 per share.

115. Anyone representing the interests of GFI's public stockholders would have appreciated that when BGC agreed to include JPI in the deal, BGC was admitting there was additional money on the table, some of which should have gone to the public stockholders. While it may have made some sense to buy out the Insiders (and thus JPI) for purposes of corporate harmony, anyone representing the interests of GFI's public stockholders would have secured them at least some portion of the \$294 million JPI will receive in connection with the BGC Transaction. Anyone representing the interests of GFI's public stockholders would have also appreciated that when BGC first offered \$6.10 per share, it did so knowing it was purchasing control, albeit not total control, and thus would have to pay a premium. Anyone representing the interests of GFI's public stockholders would have recognized that BGC felt comfortable offering \$6.20 per share – without management support and in the face of active threats to try and incite an employee uprising – demonstrating that BGC was comfortable completing a transaction without paying Gooch and Heffron millions of dollars in noncompetition agreements. Had the public stockholders benefitted from an advocate at the table, they would have received something for their shares well above \$6.20 per share.

116. *Finally*, after threatening to blow up the \$6.10 offer unless they got bought out at the same amount, the Insiders negotiated lucrative employment and noncompetition agreements. Specifically, the Insiders eschewed their obligation to negotiate on behalf of GFI and conditioned their agreement to a deal on BGC agreeing to pay to each of them millions of dollars in annual salaries and bonuses, plus 35% of the three-year average of GFI's distributable earnings. These agreements are simply a value transfer away from the public investors, particularly considering BGC's prior willingness to pay \$6.20 per share without any such restrictive covenants.

V. DEFENDANTS DELAY AND TRY HIDING THE RECORD FROM PLAINTIFFS, KNOWING THAT THEIR BREACHES OF FIDUCIARY DUTY ARE OBVIOUS

117. Given how brazen the Insiders were in requesting bribes in exchange for them ceasing their breaches of fiduciary duty, it is unsurprising that Gooch, Heffron, and Cassoni tried to manipulate the Board Minutes for the February 19 Board meeting. In fact, they were so aggressive in trying to conceal their breaches of fiduciary duty that the February 19 minutes were *never finalized* – in large part because the Special Committee members refused to agree to the whitewash. Competing iterations of draft minutes from the February 19 Board meeting detail the Special Committee's recommendation that JPI provide GFI's public

stockholders with the \$0.10 difference between the \$6.10 provided in the BGC Transaction and the \$6.20 offered by BGC on January 20. Gooch refused, however, and used the Board meeting to advocate for himself and JPI. Specifically, he insisted that [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] Only when [REDACTED]

[REDACTED] did the Special Committee acquiesce.

CLASS ALLEGATIONS

118. Plaintiffs bring 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 were injured due to Defendants' wrongful conduct more fully described herein (the "Class").

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

120. The Class is so numerous that joinder of all members is impracticable.

While the exact number of Class members is unknown to Plaintiffs at this time,

and can only be ascertained through discovery, Plaintiffs believe that there are thousands of members of the Class. All members of the Class may be identified from records maintained by GFI or its transfer agent and may be notified of this lawsuit by mail, using forms of notice similar to that customarily used in securities class actions.

121. Questions of law and fact are common to the Class and predominate over questions affecting any individual class member. 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 Plaintiffs and other members of the Class in connection with their pursuit of a conflicted transaction for the Company?
- b. Did the Individual Defendants, in bad faith and for improper motives, impede, hinder, or discourage BGC's offers to acquire the Company?
- c. Have the Individual Defendants breached their fiduciary duties of undivided loyalty and good faith with respect to Plaintiffs and other members of the Class in connection with their efforts to secure personal benefits in exchange for their withdrawal of opposition to BGC's offers to acquire the Company?
- d. Have the Individual Defendants breached their fiduciary duty to secure and obtain the best price reasonably available under the circumstances for GFI shares owned by Plaintiffs and the other members of the Class?

- e. Are Plaintiffs and the other members of the Class entitled to damages or other relief as a result of Defendants' wrongful conduct?

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

123. Plaintiffs 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 Plaintiffs seek to represent. Plaintiffs are committed to prosecuting this action, and have retained competent counsel experienced in litigation of this nature.

A class action is superior to all other available methods for the fair and efficient adjudication of this controversy. Plaintiffs know 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 Gooch, Heffron, and Cassoni

124. Plaintiffs repeat and reallege each and every allegation above as if set forth in full herein.

125. Defendants Gooch, Heffron, and Cassoni, as directors of GFI, owe the Class the utmost fiduciary duties of due care, good faith, loyalty and candor. Each

has knowingly, recklessly, and in bad faith violated their fiduciary duties of care, good faith, loyalty and candor by the acts described above. Gooch and Heffron have put their own personal interests ahead of the interests of GFI's public stockholders, whom they have repeatedly misled with half-truths, material omissions and false statements. Defendant Cassoni, meanwhile, disloyally favored the Insiders' interests over those of the public stockholders and was complicit in Gooch and Heffron's misconduct.

126. By the acts, transactions and courses of conduct alleged herein, the Individual Defendants have harmed GFI's public stockholders by, among other things, refusing to agree to BGC's offer to acquire the Company at \$6.20 per share.

127. Gooch and Heffron, acting in their capacity as GFI directors, then ransomed their approval of a BGC transaction at \$6.10 per share until they ensured that they: (i) in their capacity as JPI stockholders, would receive that same \$6.10 per share price when BGC fully acquired the Company; and (ii) in their capacity as GFI officers, would receive lucrative employment and noncompetition agreements that would give them windfall benefits in the transaction. In short, they abused their power as directors to extract benefits to which they were not entitled, and they did so at the expense of the Class.

128. Among other things, Gooch and Heffron neutered the Special Committee they previously empowered to evaluate strategic alternatives. They delayed calling meetings of the Board to discuss the Special Committee's recommendations with respect to BGC's offers. They excluded Special Committee counsel from meetings. They participated in Board votes in which they had significant conflicts of interest. They issued false and misleading descriptions of the Board's actions and decisions.

129. Meanwhile, acting to serve the Insiders' interest, Cassoni provided the necessary swing vote at critical junctures in the Board's deliberations. She sided with Gooch and Heffron in votes in which they should not even have been participating in the first instance and then misrepresented to stockholders her motivations for so doing.

130. The Individual Defendants have breached their fiduciary obligations as directors of the Company and failed to maximize value for GFI's public stockholders.

131. Because of the Individual Defendants' misconduct, Plaintiffs and the Class have suffered harm as alleged herein.

COUNT II

Breach of Fiduciary Duty Against Gooch and Heffron

132. Plaintiffs repeat and reallege each and every allegation above as if set forth in full herein.

133. Gooch and Heffron, as officers of GFI, owe the Class the utmost fiduciary duties of due care, good faith, loyalty and candor. To satisfy their fiduciary obligations, Gooch and Heffron were required to act in the best interests of GFI's public stockholders and not sacrifice those interests in favor of their own. They did not and, instead, abused their positions to secure personal financial benefits and elevate their interests over the interests of Plaintiffs and the Class.

134. By the acts, transactions and courses of conduct alleged herein, Gooch and Heffron unfairly deprived Plaintiffs of value in the transaction with BGC.

135. Among other things, Gooch and Heffron sought to stage a mass defection of GFI employees to dissuade BGC's advances. They made wild accusations concerning BGC, its business and its suitability to run GFI, and otherwise caused the Company to issue false and misleading statements to stockholders. And, before agreeing to a transaction with BGC at \$6.10 per share, they secured lucrative employment and noncompetition agreements that BGC did not request when offering to acquire GFI at \$6.20 per share.

136. Gooch and Heffron have no safe harbor under Delaware law for their disloyal and deceitful conduct.

137. Because of Gooch and Heffron's misconduct, Plaintiffs and the Class have suffered harm as alleged herein.

COUNT III

Aiding and Abetting Defendants' Breaches of Fiduciary Duty Against CME

138. Plaintiffs repeat and reallege each and every allegation above as if set forth in full herein.

139. Gooch and Heffron breached their fiduciary duties of loyalty, care, candor, good faith, and fair dealing owed to GFI stockholders.

140. Such breaches of fiduciary duty could not and would not have occurred but for the conduct of CME.

141. CME had knowledge that it was aiding and abetting Gooch and Heffron's breaches of their duties owed to GFI stockholders, and knowingly participated in such breaches through the CME Transaction by, among other things, entering into the Support Agreement and attempting to discourage other viable bidders.

142. CME induced and provided substantial assistance to Gooch and Heffron's breaches of fiduciary duties owed to GFI stockholders.

143. As a result of CME's aiding and abetting Gooch and Heffron's breaches of fiduciary duty, Plaintiffs and other members of the Class were damaged.

RELIEF SOUGHT

WHEREFORE, Plaintiffs demand judgment in their favor and in favor of the Class and against Defendants as follows:

- A. Declaring this action is properly maintainable as a Class action;
- B. Declaring that Gooch, Heffron, and Cassoni have breached their fiduciary duties;
- C. Declaring that CME aided and abetted the Individual Defendants' breaches of fiduciary duties;
- D. Granting judgment in favor of Plaintiffs on all claims asserted herein;
- E. Awarding Plaintiffs their costs and disbursements in this action, including reasonable attorneys' and experts' fees and expenses; and
- F. Granting such other and further relief as this Court may deem just and proper.

Dated: July 13, 2015

Of Counsel:

Mark Lebovitch

David Wales

Edward G. Timlin

BERNSTEIN LITOWITZ

BERGER & GROSSMANN LLP

1285 Avenue of the Americas

New York, NY 10019

Tel: (212) 554-1400

Fax: (212) 554-1444

Co-Lead Counsel for Plaintiffs

Marc A. Topaz

Lee Rudy

Michael Wagner

Justin Reliford

Leah Heifetz

**KESSLER TOPAZ MELTZER &
CHECK, LLP**

280 King of Prussia Road

Radnor, PA 19087

Tel: (610) 667-7706

Fax: (610) 667-7056

Co-Lead Counsel for Plaintiffs

**PRICKETT, JONES & ELLIOTT,
P.A.**

Michael Hanrahan (#941)

Paul A. Fioravanti, Jr. (#3808)

Kevin H. Davenport (#5327)

1310 N. King Street

P. O. Box 1328

Wilmington, Delaware 19899-1328

GRANT & EISENHOFER P.A.

/s/ Mary S. Thomas

Stuart M. Grant (Del. #2526)

Mary Thomas (Del. #5072)

Jonathan M. Kass (Del. #6003)

123 S. Justison Street

Wilmington, DE 19801

Tel: (302) 622-7000

Fax: (302) 622-7100

Co-Lead Counsel for Plaintiffs

(302) 888-6500

Executive Committee Member