

In re GFI Group Inc. Stockholder Litigation

COURT: Delaware Court of Chancery
CASE NUMBER: C.A. No. 10136-VCL
CASE LEADERS: Mark Lebovitch, David Wales, Edward G. Timlin

On July 30, 2014, GFI Group Inc. (“GFI” or the “Company”), CME Group Inc. (“CME”) and certain members of GFI management, including its Chairman Michael Gooch and CEO Colin Heffron (the “Management Consortium”), announced a deal by which CME would acquire certain software assets from GFI and the Management Consortium would take the rest of the business private. GFI stockholders, including the Management Consortium, which controls 38% of GFI’s stock, would receive CME stock worth \$4.55 per share in exchange for each GFI share they own.

On September 16, 2014, Plaintiffs commenced a lawsuit alleging, amongst other things, that the GFI Board of Directors breached their fiduciary duties by allowing the Management Consortium to take the bulk of the Company private at an unfair price to GFI’s public stockholders and erected impermissible and coercive deal protections in order to protect the unfair agreement. These allegations were borne out through a subsequent bidding war between CME and BGC Partners, Inc. (“BGC”). Over the following months, the Management Consortium has used these deal protections in an attempt to block BGC from acquiring the Company.

On January 28, 2015, Plaintiffs filed a Motion for Leave to File a Second Supplement to the Verified Class Action Complaint, which included additional facts and allegations about events that had occurred since the filing of the Complaint on September 11, 2014.

On February 7, 2015, Plaintiffs filed the Third Supplement to the Verified Class Action Complaint, which included additional facts and allegations about events that had occurred since the filing of the Complaint. The Court on May 20, 2015, entered the Third Scheduling Order, which provided that trial would commence on November 9, 2015.

On July 13, 2015, Plaintiffs filed the Amended Verified Class Action Complaint (together with the Verified Class Action Complaint and the Supplement, Second Supplement, and Third Supplement to the Verified Class Action Complaint, the “Pleadings”), superseding the Complaint filed on September 11, 2014 and the subsequent Supplements to the Complaint.

Following intense settlement negotiations and the efforts of a nationally recognized mediator, on August 24, 2015, counsel for the parties executed a Memorandum of Understanding (the “MOU”) setting forth the material terms of the settlement that was reached (the “Settlement”). A copy of the MOU can be viewed [here](#).

On September 17, 2015, the parties executed the Stipulation and Agreement of Settlement setting forth the terms of the proposed settlement of the Action. [Click here](#). On September 22, 2015, the Court entered the Scheduling Order directing that notice of the Settlement be provided to the Class and scheduling a final approval hearing for November 24, 2015 in the Delaware Court of Chancery. [Click here](#). On November 9, 2015 Plaintiffs filed their Motion for Final Approval of the Proposed Settlement, Certification of the Class, and an Award of Attorneys’ Fees. [Click here](#).

Case Documents

- November 19, 2015 - Transmittal Affidavit of Rachel E. Horn in Support of the Response of Frank Fanzilli, Jr. and Richard Magee to the Objection of Quaker Investment Trust to the Proposed Settlement
- November 19, 2015 - Plaintiffs' Reply Brief in Further Support of Class Certification, Proposed Settlement, and Proposed Fee Award
- November 19, 2015 - Transmittal Affidavit of Jonathan M. Kass in Support of Plaintiffs' Reply Brief in Further Support of Proposed Settlement and Proposed Fee Award
- November 10, 2015 - Plaintiffs' Brief ISO Their Petition for a Mootness Award of Attorney's Fees
- November 9, 2015 - Transmittal Affidavit of Jonathan M. Kass ISO of Plaintiffs' Brief ISO their Petition for a Mootnes Award of Attorneys' Fees
- November 9, 2015 - Plaintiffs' Motion for Final Approval of the Proposed Settlement, Certification of the Class, and an Award of Attorneys' Fees
- Scheduling Order
- September 17, 2015 - Stipulation and Agreement of Settlement
- September 22, 2015 - Scheduling Order
- September 17, 2015 - Stipulation and Agreement of Settlement
- July 20, 2015 - Amended Verified Class Action Complaint
- August 24, 2015 - Memorandum of Understanding
- February 10, 2015 - Exhibit A
- February 11, 2015 - Stipulation and [Proposed] Order for the Continuance of Trial
- February 16, 2015 - Telephonic Scheduling Conference
- February 7, 2015 - Plaintiffs' Third Supplement to the Verified Class Action Complaint
- January 30, 2015 - Plaintiffs' Second Supplement to the Verified Class Action Complaint
- September 16, 2014 - Verified Class Action Complaint