

MF Global Holdings Ltd.
Form DEF 14A
July 07, 2011
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

MF Global Holdings Ltd.

(Name of Registrant as Specified In Its Charter)

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(3) Filing Party:

(4) Date Filed:

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MF Global Holdings Ltd.

717 Fifth Avenue, 9th Floor

New York, New York 10022

July 7, 2011

Dear MF Global Shareholder:

You are cordially invited to attend our 2011 Annual Shareholders Meeting. We will hold the meeting on Thursday, August 11, 2011 at 10:00 a.m., Eastern Daylight Time, at Omni Berkshire Place, 21 East 52nd Street, New York, New York 10022. We hope you will be able to attend.

Enclosed you will find a notice setting forth the business expected to come before the meeting, the Proxy Statement, a proxy card and a copy of our 2011 Annual Report on Form 10-K.

Your vote is very important to us. Whether or not you plan to attend the meeting in person, your shares should be represented and voted.

We encourage you to submit your proxy via the Internet using the control number that appears on the front of your proxy card and to choose to view future mailings electronically rather than receiving them by mail.

Sincerely,

Jon S. Corzine
Chairman and Chief Executive Officer

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MF Global Holdings Ltd.
717 Fifth Avenue, 9th Floor
New York, New York 10022

Notice of 2011 Annual Shareholders Meeting

Time & Date	10:00 a.m., Eastern Daylight Time, on Thursday, August 11, 2011
Place	Omni Berkshire Place 21 East 52 nd Street New York, New York 10022
Items of Business	the election of eight directors to serve until our next Annual Shareholders Meeting; an advisory vote to approve the compensation of the officers disclosed in this Proxy Statement, or a say-on-pay vote; an advisory vote to approve the frequency of future say-on-pay votes, or a say-when-on-pay vote; approval of the 2011 Executive Incentive Plan; ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for fiscal 2012; approval of the issuance of shares of Common Stock upon the exercise of warrants issued in connection with our 1.875% convertible senior notes due 2016 in excess of New York Stock Exchange limits for issuances without shareholder approval; and any other business that may properly be considered at the Annual Shareholders Meeting or any adjournment or postponement of the meeting.
Record Date	Close of business on June 15, 2011 (which will apply to the meeting and any adjournments or postponements).
List of Registered Shareholders	Available for inspection during ordinary business hours at our principal executive offices, 717 Fifth Avenue, New York, New York 10022, during the ten days before the Annual Shareholders Meeting, as well as at the Annual Shareholders Meeting.
Additional Information	Additional information regarding the matters to be acted on at the Annual Shareholders Meeting is included in the accompanying proxy materials.
Proxy Voting	Your shares should be represented. Please submit your proxy by Internet or by telephone or complete, sign and date and return your proxy card in the enclosed envelope.

Important Notice Regarding the Availability of Proxy Materials for the Annual Shareholders Meeting to Be Held on August 11, 2011. The Proxy Statement and our 2011 Annual Report on Form 10-K are available at www.mfglobalinvestorrelations.com.

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By Order of the Board of Directors:
Jacqueline M. Giammarco
Company Secretary

July 7, 2011

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MF Global Holdings Ltd.

717 Fifth Avenue, 9th Floor

New York, New York 10022

PROXY STATEMENT

ANNUAL SHAREHOLDERS MEETING

August 11, 2011

VOTING INSTRUCTIONS AND INFORMATION

Who is receiving this Proxy Statement?

This Proxy Statement is furnished to holders of the common stock, par value \$1.00 per share (MF Global Common Stock or Common Stock), of MF Global Holdings Ltd. (MF Global , we , us or the Company) as well as holders of shares of the Company s 6.00% Cumulative Convertible Preferred Stock, Series A (the Series A Shares), in connection with the solicitation of proxies by the Board of Directors (the Board or the Board of Directors) for the Company s 2011 Annual Shareholders Meeting (and any adjournments or postponements). References in this Proxy Statement to fiscal 2010 , fiscal 2011 or fiscal 2012 mean the 12-month period ended March 31, 2010, 2011 and 2012, respectively.

When is the Annual Shareholders Meeting?

The 2011 Annual Shareholders Meeting will be held on Thursday, August 11, 2011, at 10:00 a.m., Eastern Daylight Time, at Omni Berkshire Place, located at 21 East 52nd Street, New York, New York 10022. We will begin mailing this Proxy Statement and the accompanying proxy card to shareholders on or about July 7, 2011.

What proposals will be voted on?

Shareholders will vote on six proposals from MF Global at the Annual Shareholders Meeting:

1. the election of eight directors of MF Global to hold office until the next Annual Shareholders Meeting;
2. an advisory vote to approve the compensation of the officers disclosed in this Proxy Statement, or a say-on-pay vote;
3. an advisory vote to approve the frequency of future say-on-pay votes, or a say-when-on-pay vote;
4. approval of the 2011 Executive Incentive Plan;
5. ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for fiscal 2012; and

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6. approval of the issuance of shares of Common Stock upon the exercise of warrants issued in connection with our 1.875% convertible senior notes due 2016 in excess of New York Stock Exchange limits for issuances without shareholder approval. Shareholders will also vote on any other business as may lawfully be brought before the Annual Shareholders Meeting or any related adjournment or postponement.

How does the Board of Directors

recommend I vote?

Our Board of Directors recommends that you vote:

FOR all of the nominees to the Board of Directors;

FOR the advisory approval of the compensation of our named executive officers;

FOR future advisory votes on executive compensation to be held each year;

FOR the approval of the 2011 Executive Incentive Plan;

FOR the ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for fiscal 2012; and

FOR the approval of the issuance of shares of Common Stock upon the exercise of warrants issued in connection with our 1.875% convertible senior notes due 2016 in excess of New York Stock Exchange limits for issuances without shareholder approval.

Who can vote?

You may vote your MF Global Common Stock if you were a registered shareholder at the close of business on June 15, 2011, the record date for our 2011 Annual Shareholders Meeting and any adjournment or postponement. There were approximately 164,892,596 shares of Common Stock issued and outstanding and entitled to vote on June 15, 2011. In addition, the holders of our Series A Shares are entitled to vote, on an as-converted basis and together with the holders of our Common Stock, on all matters submitted for a vote to holders of Common Stock. Accordingly, as of the close of business on June 15, 2011, holders of our 1,500,000 outstanding Series A Shares, which are convertible into 12,000,000 shares of Common Stock, are entitled to vote with the holders of our Common Stock (and not as a separate class or series) on all of the matters presented in this Proxy Statement (assuming that such holders have not converted their Series A Shares into Common Stock).

You have one vote for each share of Common Stock you held on the record date (which includes the shares of Common Stock, on an as-converted basis, to which a holder of a Series A Share on the record date would be entitled).

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VOTING INSTRUCTIONS AND INFORMATION

What are the different types of shareholders?

You are a registered shareholder if you hold Common Stock registered in your name on the records of Computershare Trust Company, N.A. (Computershare), our transfer agent.

You are a beneficial shareholder if you hold Common Stock in street name indirectly through a broker, bank or similar institution and are not a registered shareholder.

If you are a registered shareholder, Computershare is sending these proxy materials to you directly. If you hold Common Stock in street name, these materials are being sent to you by the bank, broker or similar institution through which you hold your Common Stock.

From August 1, 2011 to August 11, 2011, a list of the registered shareholders entitled to vote at the August 11, 2011 Annual Shareholders Meeting (to which this proxy solicitation relates) will be available for inspection during ordinary business hours at our principal executive offices located at 717 Fifth Avenue, New York, New York 10022. To make arrangements to review the list, shareholders should contact our Company Secretary at 717 Fifth Avenue, New York, New York 10022. The list will also be available at the Annual Shareholders Meeting.

What do I need to do to attend the

Annual Shareholders Meeting?

All MF Global shareholders as of the record date may attend the Annual Shareholders Meeting. To attend, you will need to bring an acceptable form of photo identification, such as a driver's license or passport. In addition, if you hold your Common Stock in street name, you will need to bring an account statement or other acceptable evidence of ownership of Common Stock as of the record date. You may contact MF Global Shareholder Services at 1-800-662-7232 or 1-781-575-4238 for directions to attend the meeting and vote in person.

How do I vote?

You may submit your proxy with voting instructions in four ways:

BY INTERNET. The web address and instructions for the submission of your proxy by Internet can be found on the enclosed proxy card. The submission of your proxy by Internet is available 24 hours a day. To be valid, the submission of your proxy by Internet must be received by 11:59 p.m., Eastern Daylight Time, on August 10, 2011.

BY TELEPHONE. The toll-free number for the submission of your proxy by telephone can be found on the enclosed proxy card. The submission of your proxy by telephone is available 24 hours a day. There is no charge for the call. To be valid, the submission of your proxy by telephone must be received by 11:59 p.m., Eastern Daylight Time, on August 10, 2011.

BY MAIL. Complete the enclosed proxy card, sign and date it, and return it in the postage-paid envelope we have provided. To be valid, the submission of your proxy by mail must be received by 8:00 a.m., Eastern Daylight Time, on August 11, 2011.

AT THE ANNUAL SHAREHOLDERS MEETING. You can vote your shares in person at the Annual Shareholders Meeting. (See *What do I need to do to attend the Annual Shareholders Meeting?*). If you hold your shares in street name, you must bring a valid legal proxy, which you can obtain from your account representative at the institution through which you hold your shares.

If you choose to submit your proxy by Internet or telephone, you will be required to provide your assigned control number located on our proxy card but do not need to return a proxy card itself. To be valid, the submission of your proxy by Internet, telephone or mail must be received by the established deadline.

How can I revoke my proxy or substitute

a new proxy or change my vote?

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You can revoke your proxy or substitute a new proxy by:

subsequently submitting in a timely manner (but before the established deadline) a new proxy through the Internet or by telephone;

executing and mailing a later-dated proxy card that is received on a later date (but before the established deadline); or

voting in person at the Annual Shareholders Meeting.

How can I obtain an additional proxy card

or voting instruction form?

If you lose, misplace or otherwise need to obtain a proxy card or voting instruction form, please follow the following instructions:

Registered Shareholders If you are a registered shareholder, contact MF Global Shareholder Services at 1-800-662-7232 or 1-781-575-4238.

Street Name Shareholders If you hold your Common Stock in street name, contact your account representative at your bank, broker or other holder of record.

What is a quorum for the

Annual Shareholders Meeting?

The presence of the holders of stock representing a majority of the voting power of all shares of stock issued and outstanding and entitled to vote at the Annual Meeting, in person or represented by proxy, is necessary to constitute a quorum. Abstentions and broker non-votes are counted as present and entitled to vote for purposes of determining a quorum.

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VOTING INSTRUCTIONS AND INFORMATION

What votes are required for each proposal?

Proposal	Vote Required	Broker
		Discretionary Voting
		Allowed
Election of Directors	Majority of Votes Cast	No
Advisory Vote on Executive Compensation	Majority of Votes Cast	No
Advisory Vote on Frequency of Future Advisory Votes on Executive Compensation	Not Applicable (Shareholder Preference see below)	No
2011 Executive Incentive Plan	Majority of Votes Cast	No
Ratification of PricewaterhouseCoopers LLP	Majority of Votes Cast	Yes
Issuance of Shares of Common Stock upon the Exercise of Warrants issued in connection with our 1.875% Convertible Senior Notes due 2016 in excess of New York Stock Exchange Limits	Majority of Votes Cast (see below)	No

ELECTION OF DIRECTORS. Notwithstanding our by-laws, our Board of Directors has voluntarily provided in its Corporate Governance Guidelines that a nominee for director must be elected by a majority of the votes cast in uncontested elections. This means that the number of votes cast for a director's election must exceed the number of votes cast against that director's election. You may vote for or against each director nominee, or abstain from voting on a director nominee. We will not count abstentions or broker non-votes as either for or against a director, so abstentions and broker non-votes have no effect on the election of a director. As required by our Corporate Governance Guidelines, each nominee for director has tendered an irrevocable resignation that will become effective if he or she fails to receive the required vote for election at the Annual Shareholders Meeting and the Board accepts the tendered resignation. For more information on the director resignation provisions in our Corporate Governance Guidelines, see the information under [Our Corporate Governance](#) below.

ADVISORY VOTE ON EXECUTIVE COMPENSATION. The votes cast for must exceed the votes cast against to approve the compensation of our named executive officers. Abstentions and, if applicable, broker non-votes are not counted as votes for or against this proposal.

ADVISORY VOTE ON FREQUENCY OF FUTURE ADVISORY ON EXECUTIVE COMPENSATION. This matter is being submitted to enable shareholders to express a preference as to whether future advisory votes on executive compensation should be held every year, every two years, or every three years. Therefore, the provisions of our by-laws regarding the vote required to approve a proposal are not applicable to this matter. The option of one year, two years or three years that receives the highest number of votes from our shareholders will be the frequency for the advisory vote on executive compensation that has been recommended by shareholders. Abstentions and, if applicable, broker non-votes, will not be counted as expressing any preference.

The advisory votes on the compensation of our named executive officers (Proposal 2) and the frequency of future say-on-pay votes (Proposal 3) are not binding on us or the Board, but we will consider the shareholders' advisory input on these matters when establishing compensation for our executive officers in future years and recommending the frequency of future say-on-pay votes.

APPROVAL OF 2011 EXECUTIVE INCENTIVE PLAN. Under our by-laws, the votes cast for must exceed the votes cast against to approve the 2011 Executive Incentive Plan. Abstentions and, if applicable, broker non-votes, will not be counted as votes for or against this proposal.

RATIFICATION OF PRICEWATERHOUSECOOPERS LLP. Under our by-laws, the votes cast for must exceed the votes cast against to approve the ratification of PricewaterhouseCoopers LLP as our independent registered public accounting firm. Abstentions are not counted as votes for or against this proposal.

APPROVAL OF THE ISSUANCE OF SHARES OF COMMON STOCK UPON THE EXERCISE OF WARRANTS ISSUED IN CONNECTION WITH OUR 1.875% CONVERTIBLE SENIOR NOTES DUE 2016 IN EXCESS OF NYSE LIMITS. Under our by-laws, the votes cast for must exceed the votes cast against to approve the issuance of Common Stock upon the exercise of warrants issued in connection with our 1.875% convertible senior notes due 2016 in excess of the New York Stock Exchange (NYSE) limits. However, in order to constitute shareholder approval for listing purposes in accordance with the NYSE rules, the total number of votes cast on the proposal must represent over 50% in interest of all shares entitled to vote on the proposal. Abstentions and, if applicable, broker non-votes, will not be counted as votes for or against this proposal.

If I submit a proxy, how will my

Common Stock be voted?

If you properly submit your proxy (whether by Internet, telephone or mail) and you do not validly revoke it, your Common Stock will be voted in accordance with your instructions. If you sign, date and return your proxy card but do not give voting instructions, your shares will be voted:

FOR each of the nominees to the Board of Directors;

FOR the advisory approval of the compensation of our named executive officers;

FOR future advisory votes on executive compensation to be held each year;

FOR the approval of the 2011 Executive Incentive Plan;

FOR the ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for fiscal 2012; and

FOR the approval of the issuance of shares of Common Stock upon the exercise of warrants issued in connection with our 1.875% convertible senior notes due 2016 in excess of NYSE limits for issuances without shareholder approval.

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VOTING INSTRUCTIONS AND INFORMATION

If I hold my shares in street name and

do not provide voting instructions, can my broker still vote my shares?

Under the rules of the NYSE, member-brokers (other than affiliates of MF Global) that have not received voting instructions from their customers ten days prior to the Annual Shareholders Meeting may vote their customers shares in the brokers discretion on proposals that the NYSE determines are routine. If the NYSE does not consider a matter to be routine, then your broker is prohibited from voting your shares on the matter unless you have given voting instructions on that matter to your broker.

The NYSE currently considers the proposal to ratify our independent auditors (Proposal 5) to be a routine matter. Therefore, if you do not instruct your broker how to vote your shares, your broker may vote your shares in its discretion on Proposal 5. The NYSE does not consider the election of directors (Proposal 1), the advisory vote on executive compensation (Proposal 2), the advisory vote on frequency of future advisory votes on executive compensation (Proposal 3), the approval of the 2011 Executive Incentive Plan (Proposal 4) or the removal of the restriction on Common Stock issuances upon the exercise of warrants issued in connection with our 1.875% convertible senior notes due 2016 (Proposal 6) to be routine. Therefore, if you do not instruct your broker how to vote your shares, your broker may not vote your shares in its discretion on Proposal 1, 2, 3, 4 or 6. It is important, therefore, that you provide instructions to your broker if your shares of Common Stock are held by a broker so that your vote with respect to the election of directors is counted. When a broker is not given voting instructions with respect to non-discretionary matters for the shares it holds in street name, this is referred to as a broker non-vote.

If your broker is MF Global Inc. or another affiliate of ours, NYSE policy specifies that with respect to non-discretionary matters, in the absence of your specific voting instructions, your shares of Common Stock may only be voted in the same proportion as other shares are voted with respect to each proposal. For shares of Common Stock held in retail accounts at MF Global Inc. for which specific voting instructions are not received, we will vote such shares in proportion to the voted Common Stock in retail accounts at MF Global Inc.

Could other matters be decided at the

Annual Shareholders Meeting?

At the date this Proxy Statement went to press, we do not know of any matters to be raised at the Annual Shareholders Meeting other than those contained in this Proxy Statement. If you return your signed and completed proxy card or vote by telephone or on the Internet and other matters are properly presented at the Annual Shareholders Meeting for consideration, individuals appointed by the Board of Directors will have the discretion to vote for you.

Who pays for the expenses of this

proxy solicitation?

We will pay the cost of this solicitation of proxies. Proxies may be solicited by mail, email, telephone, facsimile and personal contact by our directors, officers and other employees. We have also retained Georgeson Inc. to assist in the solicitation of proxies at a fee of \$8,000, plus reasonable out-of-pocket expenses and disbursements. Our directors, officers and other employees receive no additional compensation for the solicitation of proxies. We will reimburse some brokerage firms, banks, custodians and other fiduciaries for the reasonable mailing and other expenses they incur in forwarding proxy materials to the beneficial owners in accordance with applicable rules.

Who will count the votes?

Representatives of our transfer agent, Computershare Trust Company, N.A., will tabulate the votes and act as inspectors of election.

Where can I find more information about

MF Global?

A copy of our Annual Report to Shareholders, which includes our Annual Report on Form 10-K for fiscal 2011 filed with the Securities and Exchange Commission (the SEC), is enclosed with this Proxy Statement. **You may also obtain, free of charge, a copy of the Annual Report to Shareholders and our Annual Report on Form 10-K for fiscal 2011 by writing to MF Global Holdings Ltd., 717 Fifth Avenue, New York, New York 10022, Attention: Investor Relations, by emailing to InvestorRelations@mfglobal.com or by calling 1-800-596-0523.** These documents are also available on our website at www.mfglobalinvestorrelations.com under the link SEC Filings.

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OUR CORPORATE GOVERNANCE AND GOVERNANCE INFORMATION

OUR CORPORATE GOVERNANCE

Overview

The following sections of this Proxy Statement provide an overview of MF Global's corporate governance structure and processes, including the independence and other criteria we use in selecting director nominees, our Board leadership structure, our Board's role in risk oversight and certain responsibilities and activities of the Board and its committees.

Our governance structure and processes are based upon a number of key governance documents, including our Corporate Governance Guidelines. MF Global's Corporate Governance Guidelines embody many of our practices, policies and procedures, which are the basis of our commitment to best practices. The Board of Directors developed the Corporate Governance Guidelines to promote the functioning of the Board and its committees, to promote the interests of shareholders and to ensure a common set of expectations as to how the Board, its committees, individual directors and management should perform their functions. The Corporate Governance Guidelines outline, among other things, the responsibilities, operations, qualifications and composition of the Board. The Corporate Governance Guidelines are reviewed at least annually, and revised as necessary, to continue to reflect best practices.

Our Corporate Governance Guidelines and the following additional materials relating to corporate governance are published on our website, www.mfglobalinvestorrelations.com, under the link Corporate Governance .

Board of Director biographical information

Board Committees committee composition and the charters of our Audit and Risk Committee, Compensation Committee, Nominating and Corporate Governance Committee and Executive Committee of the Board of Directors

Director Independence Standards

Code of Business Conduct and Ethics

Shareholder Communication Policy

Our Certificate of Incorporation

Our By-laws

We will provide copies of any of these materials to any person upon written request made to our Company Secretary at 717 Fifth Avenue, New York, New York 10022 or companysecretary@mfglobal.com.

GOVERNANCE INFORMATION

Director Independence Standards

Our Board of Directors currently comprises eight members, a substantial majority of whom are independent. The current members of our Board of Directors are Mr. Jon S. Corzine (Chairman and Chief Executive Officer), Mr. David P. Bolger, Ms. Eileen S. Fusco, Mr. David Gelber, Mr. Martin J. Glynn, Mr. Edward L. Goldberg, Mr. David I. Schamis and Mr. Robert S. Sloan.

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Our goal is that our Board of Directors be comprised substantially of independent directors, as defined by the NYSE. A majority of our directors must be independent, as determined by the Board of Directors, on the recommendation of the Nominating and Corporate Governance Committee. In addition, our Corporate Governance Guidelines require that all members of the required committees (Audit and Risk, Nominating and Corporate Governance, and Compensation) be independent. Committee members are appointed by the Board upon the recommendation of the Nominating and Corporate Governance Committee.

For a director to be considered independent under the NYSE rules, the Board of Directors must affirmatively determine that the director does not have a material relationship with the Company other than as a director. The Board of Directors will consider all relevant facts and circumstances in making an independence determination, not only from the standpoint of the director, but also from that of persons or organizations with which the director has an affiliation. Our Nominating and Corporate Governance Committee and our General Counsel are authorized to make such inquiries and determinations as they believe necessary or appropriate in order to identify the relevant facts to be presented to and considered by the Board of Directors in making independence determinations.

Our Board of Directors has adopted a formal set of Director Independence Standards to determine director independence. Our standards meet or exceed the independence requirements of the NYSE corporate governance listing standards. Under our standards, a non-employee director must be determined to have no material relationship with the Company other than as a director, and the standards specify the criteria by which the independence of our non-employee directors will be determined, including strict guidelines for such directors and their immediate families regarding employment or affiliation with the Company or its independent registered public accounting firm. The standards also prohibit our Audit and Risk Committee members from having any direct or indirect financial relationship with the Company, other than in the case of director fees, and they restrict both commercial and not-for-profit relationships of all non-employee directors with the Company. Directors may not receive personal loans or extensions of credit by the Company, and all directors are required to deal at arm's length with the Company and its subsidiaries, and to disclose any circumstance that might be perceived as a conflict of interest.

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GOVERNANCE INFORMATION

Criteria for Board Membership

It is the Board's goal that its members encompass a range of skills, expertise, industry knowledge, and diversity of viewpoints, backgrounds, and experiences relevant to the Company's business.

To fulfill its responsibilities to identify and recommend to the Board qualified candidates for Board membership, the Nominating and Corporate Governance Committee considers each candidate on his or her individual merits, taking into consideration the criteria included in the Corporate Governance Guidelines and such other criteria as it and the Board of Directors deems appropriate. Based on its review of director candidates, the Nominating and Corporate Governance Committee will recommend to the Board of Directors those candidates whom it believes should stand for election (or re-election) at the next Annual Shareholders Meeting or, in the case of vacancies, the candidate or candidates whom it believes should be appointed to fill a vacancy.

Directors serve until the next Annual Shareholders Meeting following their election or appointment. The Board has determined that the imposition of a maximum period of service is not in the interest of the Company or its shareholders. The Board has adopted a guideline retirement age of 72. It is expected that any director reaching the age of 72 will complete the term to which he or she was elected. On a case-by-case basis, the Board may determine that a director may serve beyond age 72. Furthermore, the Board may consider candidates who are older than the guideline retirement age in the event of unique circumstances or needs of the Board.

Members of the Nominating and Corporate Governance Committee discuss and evaluate director candidates and may employ professional search firms when seeking to identify new candidates. The qualities of director candidates that are considered include:

judgment, character, expertise, skills and industry knowledge useful to the oversight of a diversified financial services business that operates on a global scale;

diversity of viewpoints, backgrounds (including geographic) and experiences;

business or other relevant industry experience;

willingness and ability to devote the necessary time and effort required for service on the Board; and

the extent to which the interplay of the candidate's expertise, skills, knowledge and experience with that of other Board members will build a Board that is effective, collegial and responsive to the needs of the Company.

Although the Nominating and Corporate Governance Committee does not have a specific diversity policy, we believe that our Company benefits from having directors with a diversity of viewpoints, backgrounds (including geographic), experiences and other demographics. As noted above, among the factors the Nominating and Corporate Governance Committee considers in identifying and evaluating a potential nominee is the extent to which the nominee would add to the diversity of our Board of Directors, and the Nominating and Corporate Governance Committee considers the same factors in determining whether to re-nominate incumbent directors. In both cases, the Nominating and Corporate Governance Committee assesses the diversity of our Board of Directors and how a nominee may enhance that diversity. Furthermore, the Nominating and Corporate Governance Committee recognizes the importance of including women and/or minority candidates in the pool from which the Board will review new candidates for Board membership.

Led by our Lead Director, new candidates are interviewed by our Nominating and Corporate Governance Committee and have the opportunity to meet with members of management, including our Chief Executive Officer. The Nominating and Corporate Governance Committee engages a firm to conduct an analysis of the background of each new candidate. Each such candidate is also expected to have researched the Company and receives a package of materials to assist the candidate's research efforts. Each new director also participates in a new director orientation program which includes various presentations by members of management.

The Nominating and Corporate Governance Committee will consider nominees recommended by shareholders and will evaluate shareholder nominees on the same basis as all other nominees. Shareholders who wish to submit nominees for director for consideration by the Nominating and Corporate Governance Committee for election at the 2012 Annual Shareholders Meeting may do so by submitting in writing such nominees' names, in compliance with the procedures described under "Other Matters Shareholder Proposals for 2012 Annual Shareholders Meeting".

Independence of Director Nominees

and Other Factors Considered by Board

of Directors

Based on the Director Independence Standards and the Board's determination that a director does not have a material relationship with the Company, the Board of Directors has determined that six of our eight nominees, Mr. Bolger, Ms. Fusco, Mr. Gelber, Mr. Glynn, Mr. Goldberg and Mr. Schamis, are independent under the standards described in the Listed Company Manual of the NYSE.

In connection with the Board of Directors' determination regarding the independence of each of the nominees, it considered certain transactions, relationships and arrangements as follows:

In June 2009, in accordance with our Related-Party Transactions Policy, the Nominating and Corporate Governance Committee considered and approved a proposed related-party transaction (the S3 Transaction) between one of our subsidiaries and S3 Partners, LLC (S3), a company in which one of our directors, Mr. Robert Sloan, has a majority interest. Mr. Sloan, as a then-member of the Nominating and Corporate Governance Committee, abstained from voting on the approval of the proposed related-party transaction. At that time, the Nominating and Corporate Governance Committee and the Board of Directors determined that, if the S3 Transaction was commenced, Mr. Sloan would have a material relationship with us and, as a result, would no longer be independent pursuant to the NYSE rules. The S3 Transaction became effective on September 1, 2009. Effective on that date, the Board of Directors modified the composition of its

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Compensation Committee and Nominating and Corporate Governance Committee on which Mr. Sloan then sat, so that Mr. Sloan was not a continuing member of such committees. In addition, the Board of Directors determined that Mr. Sloan could remain on the Board of Directors notwithstanding the conclusion that Mr. Sloan would not be considered independent under the NYSE standards. In light of the fact that Mr. Sloan has extensive knowledge of the products and markets the Company serves, as well as a strong executive corporate background, our Board of Directors has concluded that Mr. Sloan should be re-nominated to our Board of Directors. Additional information concerning the S3 Transaction is included below in this Proxy Statement under **Certain Relationships and Related Transactions** **Transaction with S3 Partners, LLC** .

In re-nominating Mr. Schamis as a director and appointing Mr. Schamis as a member of the Audit and Risk Committee and the Compensation Committee of the Board of Directors, the Board of Directors and the Nominating and Corporate Governance Committee considered the fact that Mr. Schamis is employed by J.C. Flowers as a Managing Director. J.C. Flowers advises a series of limited partnerships (the **JCF Funds**) that collectively beneficially hold the Series A Shares, which are convertible into shares of MF Global Common Stock. Pursuant to an investment agreement between the Company and J.C. Flowers II L.P., the JCF Funds designated Mr. Schamis as its nominee for election to the Board of Directors. The Board of Directors has determined that Mr. Schamis affiliation with J.C. Flowers, a significant equity investor in MF Global, does not impair his ability to act independently of management and to serve as an independent director on the Board of Directors in accordance with the rules of the NYSE. The Board of Directors believes that J.C. Flowers' interests are generally aligned with our shareholders. To the extent that the Board of Directors believes, or the Nominating and Corporate Governance Committee believes, that Mr. Schamis' or J.C. Flowers' interests conflict with or have the potential to conflict with the interests of our other shareholders with respect to a certain matter, or in the event that our Board of Directors or our Nominating and Corporate Governance Committee becomes aware of a conflict or potential conflict with respect to a certain matter, the Board of Directors will ask Mr. Schamis to recuse himself from discussions and voting on such matter. Additional information concerning J.C. Flowers' relationship and investment agreement with MF Global is included below in this Proxy Statement under **Certain Relationships and Related Transactions** **Relationship with J.C. Flowers** .

The Company values the experience directors bring from other boards on which they serve and other business affiliations they have, but recognizes that those boards or affiliations may also present demands on a director's time and availability and may present conflicts or other issues. Accordingly, unless the Nominating and Corporate Governance Committee determines that the carrying out of a director's responsibilities to the Company will not be adversely affected by the director's other directorships: (a) management directors of the Company shall not serve on the boards of more than two other public companies; (b) non-management directors shall not serve on the boards of more than four other public companies and members of the Audit and Risk Committee shall not serve on the audit committees of more than two other public companies; and (c) non-management directors who are chief executive officers of other public companies shall not serve on the boards of more than two other public companies. Directors must advise the Chairman of the Nominating and Corporate Governance Committee before accepting membership on other boards of directors or other significant commitments involving affiliation with other businesses or governmental units (including changes in the director's occupation). In connection with the foregoing, the following arrangements were considered by the Board of Directors:

In appointing Mr. Glynn as a member of the Audit and Risk Committee of the Board of Directors, the Board of Directors and the Nominating and Corporate Governance Committee considered the fact that Mr. Glynn currently serves as a member of the audit committees of three other non-U.S. public companies and determined that such service does not impair Mr. Glynn's ability to effectively serve on our Audit and Risk Committee. This determination is based on Mr. Glynn's background, including his extensive experience in financial and accounting matters and service on other audit committees, and the fact that Mr. Glynn's service on some of the other audit committees on which he currently serves is likely to require less of Mr. Glynn's time due to the size of the other companies and the nature of their business.

In appointing Mr. Gelber as a member of the Audit and Risk Committee of the Board of Directors, the Board of Directors and the Nominating and Corporate Governance Committee considered the fact that Mr. Gelber currently serves as a member of the audit committees of three other non-U.S. public companies, and determined that such service does not impair Mr. Gelber's ability to effectively serve on our Audit and Risk Committee. This determination is based on Mr. Gelber's background, including his significant experience in financial and accounting matters and service on other audit committees, and the fact that Mr. Gelber's service on some of the other audit committees on which he currently serves is likely to require less of Mr. Gelber's time due to the size of two of the three other companies.

During fiscal 2011, the Nominating and Corporate Governance Committee did not make any recommendations to the Board of Directors that the composition of the Board of Directors should change as a result of any significant changes in a director's principal occupation or a director's acceptance of an invitation to serve on another board.

Agreement between Mr. Corzine and**J.C. Flowers & Co. LLC (**J.C. Flowers**)**

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During the term of Mr. Corzine's employment agreement with the Company, Mr. Corzine will spend substantially all of his business time and attention on Company matters, except that he may serve as an operating partner of J.C. Flowers. Pursuant to his contract with J.C. Flowers, Mr. Corzine will not receive any salary from J.C. Flowers as long as he is serving as Chief Executive Officer of the Company, but he will have a financial interest as a limited partner in certain of J.C. Flowers's investment management entities. Mr. Corzine's employment agreement with the Company contains a provision regarding corporate opportunities. In general, this provision provides that, if Mr. Corzine acquires knowledge from J.C. Flowers (and not the Company) of a potential transaction or other business opportunity that may be a business opportunity for the Company, he will have no duty to communicate or present such opportunity to the Company, will not be liable to the

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Company or its shareholders for failing to do so and will otherwise be deemed to have fulfilled his duties to the Company and its shareholders with regard to such opportunity, in each case to the maximum extent permitted under Delaware law. The employment agreement further provides that a corporate opportunity offered to Mr. Corzine will belong to the Company unless it is offered to him or he otherwise acquires knowledge of it through his capacity as an operating partner of J.C. Flowers and not through the Company or his capacity as an officer or director of the Company. The employment agreement confirms that, except as permitted in the corporate opportunities provision, Mr. Corzine remains subject to any duties (including fiduciary duties and duties of confidentiality) he may owe to the Company by reason of his service as an officer or director of the Company.

The Board's Majority Voting Policy

Under our by-laws, a plurality of the votes present in person or represented by proxy and entitled to vote at the Annual Shareholders Meeting and voting on the matter is required for the election of directors. Our Board of Directors, however, has voluntarily provided in its Corporate Governance Guidelines that, subject to certain exceptions, directors must be elected by a majority of shareholders having cast a vote at the Annual Shareholders Meeting. For purposes of the election of directors, a majority of the votes cast means that the number of votes cast for a director's election exceeds the number of votes cast against that director's election, with abstentions not counted as votes cast either for or against that director's election. Accordingly, unless the electio