

Congress of the United States
Washington, DC 20515

The Honorable Eric Holder
Attorney General of the United States
U.S. Department of Justice
950 Pennsylvania Avenue, NW
Washington, DC 20530

Dear Attorney General Holder,

We are writing to request the appointment of an Independent Counsel to take over the investigation into possible criminal wrongdoing surrounding the collapse of MF Global. At a time when the American people's confidence in government has been badly eroded by repeated examples of waste, fraud and professional misconduct by government officials and agencies, even the perception of impropriety and special treatment of certain individuals must be avoided at all costs.

This is especially important in regard to the case of MF Global. The firm's CEO at the time of the firm's bankruptcy was Jon Corzine, a former United States Senator and Governor of New Jersey. Due to Mr. Corzine's long tenure in both the financial services industry and as an elected official, he naturally developed many relationships with highly placed individuals in the government who are very close to the investigation of the MF Global collapse. For example, Mr. Corzine was a former colleague of the Honorable Gary Gensler, the current chairman of the Commodity Futures Trading Commission (CFTC), the agency that had primary responsibility for regulating MF Global, a Futures Commission Merchant (FCM), prior to its bankruptcy as well as investigating what went wrong post-bankruptcy, particularly with respect to violations of the Commodity Exchange Act that are designed to protect customer funds.

We have learned through various investigations, including the one being lead by the House Financial Services Committee's Sub-Committee on Oversight & Investigations, that there has been a pattern of regulatory behavior beginning in the summer of 2011, and continuing to this day, which afforded preferential treatment to MF Global at the expense of parties who are to be protected by governmental agencies, such as the CFTC and SEC. Those parties include customers, shareholders and bondholders, and the general public. Prior to the demise of MF Global, as the result of the direct lobbying efforts of Mr. Corzine and other high level executives, the CFTC delayed certain regulatory changes that would have enhanced customer protections. Specifically, CFTC records show that Mr. Corzine had phone meetings with CFTC Chairman Gensler and Commissioner Chilton on Jul 20, 2011 regarding changes to rule 1.25. This rule change had been unresolved since being proposed on November 3, 2010, which would have restricted the allowable investments that customer funds could be placed in. These changes, which would become known as the "MF Global Rule," were hastily enacted only after the firm failed. Further, the SEC delayed the release of information regarding the dire financial situation at MF Global, the material disclosure of which would have been of great value to investors and customers, and could have mitigated their losses.

In addition, it was revealed on Friday April 21, 2012 that Mr. Corzine was listed as a “first quarter volunteer fundraiser” by President Obama’s campaign, having raised over \$500,000 for the President’s re-election. Clearly it would not strain credulity for the American people to perceive a conflict of interest when an individual raises such large sums of money for the President’s re-election campaign and who is at the same time possibly under investigation by an agency or agencies controlled by the administration for possible criminal wrongdoing.

In fact, the Independent Counsel Provisions in the US Code, 28 USC § 591, provide for the Attorney General to appoint an Independent Counsel in cases where “an investigation or prosecution of a person by the Department of Justice may result in a personal, financial, or political conflict of interest.” Clearly the case of MF Global and Mr. Corzine falls under this section.

We wish to be clear that, at this time, we have no direct evidence that either your office or the Department of Justice is providing special treatment in this case. However, as we previously stated, perception matters a great deal in times such as this, especially in light of the fact that the SEC and the CFTC structured this bankruptcy in a manner that many experts agree puts the customers of MF Global at a disadvantage, as well as conducted a series of questionable actions that may have resulted in direct harm to the public interest, we believe that an independent investigation is urgently needed.

In order to begin the long and difficult process of restoring the trust and confidence of the American people in their government, and to reaffirm that every American is treated equally under the law, we are calling on you to appoint an Independent Counsel for the investigation regarding MF Global. We look forward to your prompt reply.