

In re REFCO, INC. SECURITIES LITIGATION

x
:
:
x

**SUMMARY NOTICE OF PENDENCY AND
PROPOSED PARTIAL SETTLEMENT OF CLASS ACTION
WITH BAWAG P.S.K. AND HEARING ON PROPOSED SETTLEMENT**

TO: ALL PERSONS OR ENTITIES WHO PURCHASED OR ACQUIRED REFCO GROUP LTD., LLC/ REFCO FINANCE INC. 9% SENIOR SUBORDINATED NOTES DUE 2012 (CUSIP NOS. 75866HAA5 AND/OR 75866HAC1) AND/OR REFCO INC. COMMON STOCK (CUSIP NO. 75866G109) BETWEEN AUGUST 5, 2004 AND OCTOBER 17, 2005, INCLUSIVE (THE "CLASS PERIOD"), AND WHO WERE DAMAGED THEREBY (THE CLASS)

YOU ARE HEREBY NOTIFIED that the Lead Plaintiffs in the above-captioned class action (the "Action") have proposed a Partial Settlement with defendant BAWAG P.S.K. Bank für Arbeit und Wirtschaft und Österreichische Postsparkasse Aktiengesellschaft ("BAWAG") whereby BAWAG will pay a settlement amount to the Class of at least ONE HUNDRED AND EIGHT MILLION DOLLARS (\$108,000,000) and the Class Members will dismiss and release their claims against BAWAG arising out of or related to the subject matter of the Action or any transactions in the above-referenced securities of Refco, Inc. and its predecessors during the Class Period. In addition, if BAWAG is sold for a price exceeding €1.8 billion (euros) within two years after entry of an order approving BAWAG's separate settlement with Refco's Official Committee of Unsecured Creditors, then BAWAG shall pay the Class an additional sum of 5% of the amount by which the sale price of BAWAG exceeds €1.8 billion (euros), up to a maximum additional payment of \$32,000,000 (dollars).

This proposed Partial Settlement is the first proposed settlement in this multi-defendant Action. The litigation is continuing against numerous other named defendants.

A hearing will be held on June 29, 2007 at 10:00 a.m., before the Honorable Gerard E. Lynch in the U.S. District Court for the Southern District of New York, United States Courthouse, 500 Pearl Street, New York, NY, 10007, to determine (1) whether the Partial Settlement should be approved as fair, just and reasonable; (2) whether the Action should be dismissed with prejudice against BAWAG and all claims against BAWAG released; and (3) whether the plaintiffs' attorneys' application for attorneys' fees should be granted.

IF YOU ARE A MEMBER OF THE CLASS DESCRIBED ABOVE, YOUR RIGHTS WILL BE AFFECTED AND YOU MAY BE ENTITLED TO SHARE IN THE SETTLEMENT FUNDS. If you have not yet received the full printed Notice of (i) Pendency and Proposed Partial Settlement of Class Action With BAWAG, and (ii) Hearing on Proposed Partial Settlement, you may obtain one by contacting the Claims Administrator at:

Refco, Inc. Securities Litigation
c/o The Garden City Group, Inc.
P.O. Box 9087
Dublin, OH 43017-0987
(888) 212-5574

To participate in the Partial Settlement, you will be required to submit a Proof of Claim, using a form to be disseminated to members of the Class at a future date. To ensure that you receive a Proof of Claim form and any future notices in this Action, please contact the Claims Administrator at the address above to request that you be added to their mailing list for the Refco Securities Litigation.

Inquiries, other than requests for copies of the Notice or for inclusion on the mailing list for future notices, may be directed to Plaintiffs' Co-Lead Counsel:

John P. Coffey, Esquire
BERNSTEIN LITOWITZ
BERGER & GROSSMANN, LLP
1285 Avenue of the Americas
New York, NY 10019

Megan D. McIntyre, Esquire
GRANT & EISENHOFER P.A.
Chase Manhattan Centre
1201 N. Market Street
Wilmington, DE 19801