



UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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In re REFCO, INC. SECURITIES LITIGATION :
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05 Civ. 8626 (JSR)

[PROPOSED] SUPPLEMENTAL DISTRIBUTION ORDER

Lead Plaintiffs, on notice to Defendants’ counsel, have moved this Court for entry of a Supplemental Distribution Order, and the Court having considered all the materials and arguments submitted in support of the motion, including the Declaration of Stephen J. Cirami in Support of Lead Plaintiffs’ Motion for Supplemental Distribution Order (the “Cirami Declaration”), and Lead Plaintiffs’ Memorandum in Support of Motion for Supplemental Distribution Order, submitted therewith;

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

1. This Order incorporates by reference the definitions in the Cirami Declaration, the Declaration of Stephen J. Cirami in Support of Lead Plaintiffs’ Motion for Approval of Distribution Plan, dated April 18, 2011 (Dkt. No. 790), and the Declaration of Stephen J. Cirami in Support of Lead Plaintiffs’ Motion for Approval of Payment of Claims-In-Process, Late Adjusted Claims, and Late Submitted Claims, dated September 21, 2011 (Dkt. No. 811).
2. This Court has jurisdiction over the subject matter of the Action and over all parties to the Action, including all Settlement Class Members.
3. Lead Plaintiffs’ motion is **GRANTED**.
4. The Court hereby adopts the administrative recommendations of the Court-approved Claims Administrator, The Garden City Group, Inc. (“GCG”) to accept the otherwise eligible

Additional Late Submitted Claims, as set forth on Exhibit A to the Cirami Declaration, and the Additional Late Adjusted Claims, as set forth on Exhibit B to the Cirami Declaration.

5. The Court hereby approves GCG's administrative recommendations to reduce the Claims Adjusted Downward, as set forth on Exhibit C to the Cirami Declaration.

6. The proposed modification to the plan for distribution of the Net Settlement Funds set forth in the Cirami Declaration is **APPROVED**. Accordingly,

a. GCG is directed to pay the eligible Additional Late Submitted Claims, set forth on Exhibit A to the Cirami Declaration, and the Additional Late Adjusted Claims, set forth on Exhibit B to the Cirami Declaration, their *pro rata* share of the Initial Distribution amount from the current balance of the Net Settlement Funds;

b. All Authorized Claimants whose Initial Distribution checks and/or Claims-in-Process Distribution checks are stale-dated and who do not request a check re-issue prior to the date of entry of this Supplemental Distribution Order will irrevocably forfeit all recovery from the Settlements, and the funds allocated to all such stale-dated checks will be available for redistribution to other Authorized Claimants;

c. The fees and expenses incurred and to be incurred by GCG as set forth in Exhibit D to the Cirami Declaration are approved; accordingly, Lead Counsel shall direct payment of \$43,785.75 from the current balance of the Net Settlement Funds for the unpaid balance of such fees and expenses;

d. Consistent with paragraph 3.g. of the Initial Distribution Order, GCG shall conduct a second distribution of the Net Settlement Funds (the "Second Distribution") pursuant to which the balance remaining in the Net Settlement Funds (including the Current Reserve and the funds for all void stale-dated checks remaining from the Initial Distribution

and the Claims-in-Process Distribution), after deducting the payments described in subparagraphs 6.a. and 6.c. above, and after deducting any payments for estimated taxes and the costs of preparing appropriate tax returns and any escrow fees, will be distributed to all Authorized Claimants who (1) were not Claims Paid in Full (as defined in the Initial Cirami Declaration), (2) cashed their distribution payment from the Initial or Claims-in-Process Distribution (or have submitted a re-issue request prior to the date of entry of this Supplemental Distribution Order) or are receiving Catch-Up Payments, and (3) would receive at least \$20.00 from the redistribution based on their *pro rata* share of the remaining funds;

e. In order to encourage Authorized Claimants who or which will receive payments pursuant to this Supplemental Distribution Order to cash their distribution checks promptly, and to avoid or reduce future expenses relating to unpaid distribution checks, all distribution checks shall bear the following notation: "CASH PROMPTLY, VOID AND SUBJECT TO RE-DISTRIBUTION IF NOT CASHED BY [DATE 120 DAYS AFTER ISSUE DATE]";

f. The currently deficient Additional Late Submitted Claims, if cured, as well as any claims submitted after the date of the Cirami Declaration which the Claims Administrator deems eligible for payment but for their late submission, shall be paid so as to bring them into parity with the previously paid claims, to the extent sufficient funds remain in the Net Settlement Funds after the completion of the Second Distribution without further Order of the Court. Such procedure shall be followed with respect to any additional late claims that may be received until the Net Settlement Funds are exhausted or such time as

GCG and Co-Lead Counsel determine that further redistribution is not cost-effective in accordance with paragraph 3.h.ii of the Initial Distribution Order;

g. The procedures established by the Court in its Order Modifying Distribution Plan dated June 2, 2011 (Dkt. No. 800), which were used in connection with the Initial Distribution and the Claims-in-Process Distribution, shall be applied to Claim No. 1011778 (which has been identified by the Trustee of the Refco Private Actions Trust as a claim that has been assigned, in part, to the Private Actions Trust). GCG shall defer payment of this claim until the Trustee has notified this claimant of the assignment and afforded the claimant an opportunity to object, and until the objection, if any, is resolved. Such procedures shall also be applied to any additional late submitted claims that appear on the list provided by the Trustee of the Private Actions Trust and that are determined to be eligible to receive a distribution from the Net Settlement Funds;

h. In all other respects, the Distribution Plan approved by the Court in the Initial Distribution Order, as amended by the Order Modifying Distribution Plan dated June 2, 2011, will remain in effect;

i. For the sake of clarity, the release of claims against Lead Plaintiffs, Lead Counsel, the Claims Administrator, the Escrow Agent or any other agent retained by Lead Plaintiffs or Lead Counsel in connection with the administration of the Net Settlement Funds as set forth in the Initial Distribution Order will be extended to cover any and all claims arising out of the recommendations made with respect to the Claims-in-Process, Late Submitted Claims, Late Adjusted Claims, Additional Late Submitted Claims, Additional Late Adjusted Claims, and Claims Adjusted Downward as well as all actions taken pursuant

to the Claims-in-Process Distribution Order, the Supplemental Distribution Order and any subsequently approved or rejected claims.

7. All claimants who or which will receive payments pursuant to this Order shall be deemed Authorized Claimants.

8. This Court retains jurisdiction to consider any further applications concerning the administration of the Settlements, and such other and further relief as this Court deems appropriate.

SO ORDERED:

Dated: New York, New York

6/21/2012

HONORABLE JED S. RAKOFF
UNITED STATES DISTRICT JUDGE

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