

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] ORDER APPROVING APPLICATION OF
PLAN OF ALLOCATION TO THE ADDITIONAL SETTLEMENTS**

This matter came for hearing on March 11, 2011 (the "Settlement Hearing") on Lead Plaintiffs' Motion to determine, among other things, whether the Plan of Allocation, previously approved by the Court in its Order dated October 27, 2010, should be applied to the settlements with defendants Grant Thornton LLP, Joseph J. Murphy, Dennis A. Klejna and William M. Sexton (the "Additional Settlements") for the purpose of determining how the total net proceeds of the Additional Settlements (the "Current Net Total Settlement Fund") will be distributed to Settlement Class Members who submit valid Claim Forms.

The Court having considered all matters submitted to it at the Settlement Hearing and otherwise; and it appearing that notice of the Settlement Hearing and a copy of the Approved Plan of Allocation Updated to Apply to Settlements Achieved with Defendants Grant Thornton LLP, Joseph J. Murphy, Dennis A. Klejna and William M. Sexton (the "Updated Plan of Allocation"), both substantially in the form approved by the Court, were mailed to all Settlement Class Members who could be identified with reasonable effort, except those persons or entities excluded from the definition of the Settlement Class, and that summary notice of the hearing substantially in the form approved by the Court was published in *Investor's Business Daily* pursuant to the specifications of the Court; and the Court having considered and determined the

fairness and reasonableness of applying the previously approved Plan of Allocation, as updated, to the Additional Settlements;

IT IS HEREBY ORDERED, that:

1. This Order incorporates by reference the definitions in the Stipulation and Agreement of Settlement between Lead Plaintiffs and Grant Thornton LLP dated October 18, 2010 and the Stipulation and Agreement of Settlement between Lead Plaintiffs and Defendants Joseph J. Murphy, Dennis A. Klejna and William M. Sexton dated September 30, 2010 (together, the "Settlement Stipulations") and all terms not otherwise defined herein shall, with respect to the respective Settlement Stipulations, have the same meanings as set forth in the applicable Settlement Stipulation or the Notice.

2. The Court has jurisdiction to enter this Order, and over the subject matter of the Action and all parties to the Action, including all Settlement Class Members.

3. Notice of Lead Plaintiffs' motion requesting authorization to apply the Updated Plan of Allocation to the Additional Settlements was given to all Settlement Class Members who could be identified with reasonable effort. The form and method of notifying the Settlement Class of the motion constituted due, adequate, and sufficient notice to all persons or entities entitled to receive notice of the motion and satisfied the requirements of Rule 23 of the Federal Rules of Civil Procedure, the United States Constitution (including the Due Process Clause), the Private Securities Litigation Reform Act of 1995 (15 U.S.C. § 78u-4, et seq.) (the "PSLRA"), and all other applicable law and rules.

4. More than 43,000 copies of the Notice and the Updated Plan of Allocation were mailed to potential Settlement Class Members.


5. The Court hereby finds and concludes that application of the previously approved

formula for the calculation of the claims of Authorized Claimants as set forth in the Updated Plan of Allocation mailed to Settlement Class Members is fair and equitable and serves the interests of Settlement Class Members as being an efficient and cost-effective method to allocate the proceeds of the Current Net Total Settlement Fund among Settlement Class Members.

6. The Court hereby finds and concludes that application of the Updated Plan of Allocation to the Additional Settlements is, in all respects, fair and equitable to the Settlement Class. Accordingly, the Court hereby approves the application of the Updated Plan of Allocation to the proceeds of the Additional Settlements.

7. There is no just reason for delay in the entry of this Order, and immediate entry by the Clerk of the Court is expressly directed.

Dated: New York, New York
_____ 3/22/2011



HONORABLE JED S. RAKOFF
UNITED STATES DISTRICT JUDGE