

Hearing Date: December 15, 2005, 10:00 a.m.
Objection Deadline: December 12, 2005, 4:00 p.m.

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New York, New York 10036
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J. Gregory Milmoie (JGM 0919)
Sally McDonald Henry (SMH 0839)

Attorneys for Refco Inc., et al.,
Debtors and Debtors-In-Possession

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----X		
In re	:	
	:	Chapter 11
	:	
Refco Inc., <u>et al.</u> ,	:	Case No. 05-60006 (RDD)
	:	
Debtors.	:	(Jointly Administered)
	:	
-----X		

**APPLICATION FOR AUTHORITY TO RETAIN AND
APPOINT OMNI MANAGEMENT GROUP, LLC AS
CLAIMS, NOTICING AND BALLOTING AGENT FOR
THE CLERK OF THE BANKRUPTCY COURT**

Refco Inc. ("Refco") and its debtor affiliates,¹ as debtors and debtors-in-
possession (collectively, the "Debtors"), submit this application ("Application") for authority to
retain and appoint Omni Management Group, LLC (collectively with its servants, agents,
employees, licensees and subcontractors, "Omni") as claims, noticing and balloting agent (the

¹ In addition to Refco Inc., the following entities are debtors in these related cases: Bersec International LLC, Kroeck & Associates, LLC, Marshall Metals LLC, New Refco Group Ltd., LLC, Refco Administration LLC, Refco Capital LLC, Refco Capital Holdings LLC, Refco Capital Management LLC, Refco Capital Markets, Ltd., Refco Capital Trading LLC, Refco Finance Inc., Refco Financial LLC, Refco Fixed Assets Management LLC, Refco F/X Associates LLC, Refco Global Capital Management LLC, Refco Global Finance Ltd., Refco Global Futures LLC, Refco Global Holdings LLC, Refco Group Ltd., LLC, Refco Information Services LLC, Refco Mortgage Securities, LLC, Refco Regulated Companies LLC, and Summit Management LLC.

"Claims Agent") for the Clerk of the Bankruptcy Court for the Southern District of New York (the "Clerk") effective as of November 2, 2005. In support of this Application, the Debtors submit the Declaration of Robert L. Berger (the "Berger Declaration"), attached as Exhibit A. In further support, the Debtors respectfully represent as follows:

Background

1. The Debtors filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") on October 17, 2005 (the "Petition Date").

2. The Debtors have continued in possession of their property and are operating and managing their businesses as debtors-in-possession under Bankruptcy Code sections 1107(a) and 1108.

3. On October 28, 2005, the United States Trustee (the "U.S. Trustee") appointed an official committee of unsecured creditors in these cases (the "Creditors Committee"). No trustee or examiner has been appointed in these chapter 11 cases.

4. This Court has jurisdiction over this application under 28 U.S.C. § 1334. Venue of this proceeding is proper under 28 U.S.C. § 1409. This is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2).

Relief Requested

5. By this Application, the Debtors request entry of an order under 28 U.S.C. § 156(c) and Rule 2002 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") approving the retention and appointment of Omni as the Claims Agent effective as of November 2, 2005, to, among other things, (a) distribute required notices to parties in interest; (b) receive, maintain, docket and otherwise administer the proofs of claims filed in these chapter 11 cases; (c) tabulate acceptances and rejections of the Debtors' plan(s) of reorganization; and (d) provide such other administrative services that may be required.

Basis for Relief

6. There are numerous entities to whom various notices, pleadings and other documents filed in these cases must be served. The Debtors' creditor body makes it impracticable for the Clerk to send the various notices, pleadings and other documents to the creditors and other parties in interest in these cases. In consideration, the Debtors respectfully submit that the appointment of Omni, as an agent of the Clerk, will expedite the distribution of such documents and relieve the Clerk's office of the administrative burden of processing such documents.

7. Omni is a data processing firm that specializes in noticing, claims processing, voting, and other administrative tasks in chapter 11 cases. The Debtors wish to engage Omni to, at the request of the Debtors, send out certain notices, to maintain claims files and a claims and voting register, to act as balloting agent with respect to certain creditors, to assist with the preparation of the Debtors' schedules and statements of financial affairs and to serve motions and orders. The Debtors believe that such assistance will expedite service of papers, streamline the claims administration process and permit the Debtors to focus on their reorganization efforts.

8. The Debtors believe that Omni is well-qualified to provide such services. Omni has substantial experience in connection with noticing, claims administration and administration of plan votes. Further, Omni has provided identical or similar services in other chapter 11 cases in a variety of jurisdictions, such as In re Global Crossing Ltd., Case No. 02-40188 (Bankr. S.D.N.Y. Jan. 28, 2002); In re Maxide Acquisition, Inc., Case No. 05-10429 (Bankr. D. Del. March 4, 2005); In re Peregrine Systems, Inc., Case No. 02-12740 (Bankr. D. Del. Oct. 30, 2002); In re USN Communications, Inc., Case No. 99-00383 (Bankr. D. Del. Feb. 22, 1999); In re Federal Employees' Distributing Company, d/b/a Fedco., Inc., Case No.

99-35700 (Bankr. C.D. Cal. Dec. 13, 2000) and In re Owens Corning, a Delaware Corporation, Case No. 00-03837 (Bankr. D. Del. Oct. 10, 2000).

9. Sufficient authority exists to retain Omni. Bankruptcy Rule 2002 generally regulates the notices that must be provided to creditors and other parties in interest in bankruptcy cases. Under Bankruptcy Rule 2002, this Court may direct that a person other than the Clerk give notice of the various matters described therein.

10. Further, 28 U.S.C. § 156, which governs the staffing and expenses of the Bankruptcy Court, states in pertinent part:

Any court may utilize facilities or services, either on or off the court's premises, which pertain to the provision of notices, dockets, calendars, and other administrative information to parties in cases filed under the provisions of title 11, United States Code, where the costs of such facilities or services are paid for out of the assets of the estate and are not charged to the United States. The utilization of such facilities or services shall be subject to such conditions and limitations as the pertinent circuit council may prescribe.

28 U.S.C. § 156(c). Therefore, Bankruptcy Rule 2002 and 28 U.S.C. § 156(c) expressly authorize engaging Omni as Claims Agent.

11. The Debtors propose to retain Omni to undertake the actions and procedures provided in the agreement attached as Exhibit B (the "Agreement"). Under the Agreement, the Debtors anticipate that Omni will perform the following services as Claims Agent, at the request of the Debtors or the Clerk, including but not limited to:

- (a) maintaining a consolidated list of creditors;
- (b) serving notices to parties in interest;
- (c) maintaining all proofs of claim and proofs of interest filed in these cases (collectively, the "Claims");
- (d) docketing all the Claims;
- (e) maintaining and transmitting to the Clerk's office the official claims registers;

- (f) maintaining current mailing lists of all entities that have filed Claims and notices of appearance it receives;
- (g) recording all transfers it receives, pursuant to Bankruptcy Rule 3001(e);
- (h) providing the Debtors with consulting and computer software support regarding the reporting and management requirements of the bankruptcy administration process;
- (i) providing assistance in preparing the Debtors' schedules if requested by the Debtors;
- (j) providing balloting and solicitation services to the Debtors; and
- (k) providing any other service the Debtors require.

12. The Debtors propose to compensate Omni in accordance with the Agreement. The Debtors respectfully submit that such compensation is reasonable in light of the services to be performed.

13. The Debtors further propose to compensate Omni for services rendered, without further order of this Court, upon the submission of monthly invoices by Omni, summarizing, in reasonable detail, the services for which compensation is sought.² The Debtors further propose to reimburse Omni for reasonable and necessary expenses in accordance with the Agreement. The Debtors requests that Omni be relieved from submitting fee applications to the Court in accordance with Bankruptcy Code sections 330 and 331.

14. In addition, Omni represents that:

- (a) it is not employed by the United States and shall not seek any compensation from the United States;
- (b) by accepting employment in the case, it is waiving any rights to receive compensation from the United States;

² Because Omni will serve as an administrative agent and an adjunct to the Court, the Debtors do not believe that Omni is a "professional" whose retention would be subject to approval under Bankruptcy Code section 327 or whose compensation would be subject to approval under Bankruptcy Code sections 330 and 331.

- (c) it is not an agent of the United States and it is not acting on behalf of the United States;
- (d) it will not misrepresent any fact to the public; and
- (e) it will not employ any past or present employee of the Debtors for work involving the Debtors' chapter 11 cases.

15. Further, to the best of the Debtors' knowledge and as stated in the Berger Declaration, Omni is not affiliated with the Debtors, their creditors, other parties in interest, the U.S. Trustee or any person employed thereby. In addition, to the best of the Debtors' knowledge and belief, Omni does not hold or represent any interest adverse to the Debtors, their estates or any class of creditors or equity interest holders with respect to the matters in which it will be engaged.

16. Relief similar to that requested herein has been approved by this Court and utilized in many large chapter 11 cases. See, e.g., In re Winn-Dixie Stores, Inc., Case No. 05-11063 (Bankr. S.D.N.Y. March 4, 2005); In re Exide Techs., Case No. 02-11125 (JCA) (Bankr. D. Del. Aug. 21, 2002); In re Worldcom, Inc., Case No. 02-13533 (Bankr. S.D.N.Y. July 24, 2002); In re Mpower Holding Corp., Case No. 02-11046 (Bankr. D. Del. Apr. 9, 2002); In re Enron Corp., Case No. 01-16034 (Bankr. S.D.N.Y. Jan. 30, 2002); In re Global Crossing Ltd., Case No. 02-40188 (Bankr. S.D.N.Y. Jan. 28, 2002); and In re Hayes Lemmerz Int'l, Inc., Case No. 01-11490 (Bankr. D. Del. Dec. 6, 2001).

17. The Debtors believe that the relief requested herein is in the best interests of their estates and creditors and should, therefore, be approved.

Memorandum of Law

18. Because the legal points and authorities upon which this Application relies are incorporated herein, the Debtors respectfully request that the requirement of the service and

filing of a separate memorandum of law under Local Rule 9013-1(b) be deemed satisfied by this Application.

Notice

19. Notice of this Application has been provided to (a) the U.S. Trustee; (b) the Securities and Exchange Commission; (c) counsel for Bank of America, N.A., as agent for the Debtors' secured lenders; (d) counsel for Wells Fargo Bank, N.A., as the indenture trustee for the Debtors' noteholders; (e) counsel for the Creditors Committee; and (f) all parties requesting notice in these cases. In light of the nature of the relief requested, the Debtors submit that no further notice is necessary.

20. No previous motion or application for relief sought herein has been made to this or any other Court.

WHEREFORE, the Debtors respectfully request that this Court (a) enter an order approving the Agreement with Omni and appointing Omni as Claims Agent to perform the services described herein, effective as of November 2, 2005 and (b) grant the Debtors such other and further relief as is just and proper.

Dated: December 2, 2005
New York, New York

Respectfully submitted,

Refco Inc.
and its debtor affiliates

By: /s/ Robert Dangremond
Robert Dangremond
Interim Chief Executive Officer and
Authorized Signatory of all Debtors

Exhibit A

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

----- X
:
In re : Chapter 11
:
Refco Inc., et al., : Case No. 05 - 60006 (RDD)
:
Debtors. : (Jointly Administered)
:
----- X

DECLARATION OF ROBERT L. BERGER

Under 28 U.S.C. § 1746, I, Robert L. Berger, declare that the following is true to the best of my knowledge, information and belief:

1. I am the President of Omni Management Group, LLC ("Omni"), which maintains an office at 16501 Ventura Boulevard Suite 440, Encino, CA 91436-2068.
2. I submit this declaration under section 156(c) of title 28 of the United States Code and Rule 2002 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") in support of the application (the "Application")¹ for authority to retain and appoint Omni Management Group, LLC (collectively with its servants, agents, employees, licensees and subcontractors, "Omni") as claims, noticing and balloting agent (the "Claims Agent") for the Clerk of the Bankruptcy Court for the Southern District of New York (the "Clerk") effective as of November 2, 2005. The facts set forth in this Declaration are personally known to me and, if called as a witness, I could and would testify competently thereto.²

¹ Capitalized terms herein have the meaning ascribed to them in the Application.

² Certain of the disclosures herein relate to matters within the knowledge of other employees at Omni and are based on information provided by them.

3. As agent and custodian of court records, the services my firm proposes to render to the Clerk and the Debtors include the services described in the Agreement and include the following:

- (a) maintaining a consolidated list of creditors;
- (b) serving notices to parties in interest;
- (c) maintaining all proofs of claim and proofs of interest filed in these cases (collectively, the "Claims");
- (d) docketing all the Claims;
- (e) maintaining and transmitting to the Clerk's office the official claims registers;
- (f) maintaining current mailing lists of all entities that have filed Claims and notices of appearance it receives;
- (g) recording all transfers it receives, pursuant to Bankruptcy Rule 3001(e);
- (h) providing the Debtors with consulting and computer software support regarding the reporting and management requirements of the bankruptcy administration process;
- (i) providing assistance in preparing the Debtors' schedules if requested by the Debtors;
- (j) providing balloting and solicitation services to the Debtors; and
- (k) providing any other service the Debtors require.

4. Further, Omni represents that:

- (a) it is not employed by the United States and shall not seek any compensation from the United States;
- (b) by accepting employment in the case, it is waiving any rights to receive compensation from the United States;
- (c) it is not an agent of the United States and it is not acting on behalf of the United States;
- (d) it will not misrepresent any fact to the public; and

(e) it will not employ any past or present employee of the Debtors for work involving the Debtors' chapter 11 cases.

5. Omni is a data processing firm that specializes in noticing, claims processing, voting and other administrative tasks in chapter 11 cases. Omni has advised and assisted numerous chapter 11 debtors in connection with noticing, claims administration and reconciliation and the administration of plan votes. Omni has provided identical or substantially similar services in other chapter 11 proceedings in a variety of jurisdictions such as In re Global Crossing Ltd., Case No. 02-40188 (Bankr. S.D.N.Y. Jan. 28, 2002); In re Maxide Acquisition, Inc., Case No. 05-10429 (Bankr. D. Del. March 4, 2005); In re Peregrine Systems, Inc., Case No. 02-12740 (Bankr. D. Del. Oct. 30, 2002); In re USN Communications, Inc., Case No. 99-00383 (Bankr. D. Del. Feb. 22, 1999); In re Federal Employees' Distributing Company, d/b/a Fedco., Inc., Case No. 99-35700 (Bankr. C.D. Cal. Dec. 13, 2000) and In re Owens Corning, a Delaware Corporation, Case No. 00-03837 (Bankr. D. Del. Oct. 10, 2000), among others.

6. To the best of my knowledge and belief, neither Omni nor any employee thereof has any affiliation with the Debtors, their creditors, other parties in interest, the U.S. Trustee or any person employed thereby.

7. Further, to the best of my knowledge and belief, neither Omni nor any other employee thereof holds any interest adverse to the Debtors' estates with respect to the matters upon which it is to be engaged.

8. In performing these services, Omni will charge the rates set forth in the Agreement attached to the Application as Exhibit B. These rates are at least as favorable as the prices Omni charges in cases in which the firm has been retained to perform similar services. Omni requests that it be relieved from submitting fee applications to the Court.

9. Omni will comply with all requests of the Clerk and the guidelines promulgated by the Judicial Conference of the United States for the implementation of 28 U.S.C. § 156(c).

I declare under penalty of perjury that the foregoing is true and correct.

Executed on December 2, 2005.

/s/ Robert L. Berger

Robert L. Berger

President

OMNI MANAGEMENT GROUP, LLC

16501 Ventura Boulevard Suite 440

Encino, CA 91436-2068

Telephone: (818) 906-8300

Exhibit B



November 2, 2005

Eric A. Simonsen,
Chief Administrative Officer
Refeo, Inc.
200 Liberty Street
New York, NY 10281

Re: Letter of Agreement
Refeo Inc.

Dear Mr. Simonsen:

This letter will acknowledge that you have requested Omni Management Group, LLC, to act as the Noticing, Claims and Balloting Agent for the Debtors (see attached list) in these Chapter 11 cases and to perform such other services as may be required by the Clerk's Office and/or the Debtor.

The services rendered will be at our normal hourly rates, which range from \$35.00 to \$285.00 per hour as per the attached rate sheet. Rates are adjusted annually on January 2 of each year, and are subject to increase not to exceed 10% per annum. Increases greater than 10% per annum will be discussed with you before becoming effective.

In consultation with the Debtors, we will reduce the number of creditors to which the monthly storage fee provided in Section 8 of the attached rate sheet applies as certain events occur in these cases (e.g. passage of the bar date or plan confirmation).

16501 Ventura Boulevard
Suite 440
Encino, CA 91436-2068
www.omnimgt.com
www.claimsmanager.com
818-906 8300
818-783-2737 Fax

Refco, Inc.
November 2, 2005
Page Two

All charges will be on a portal to portal basis plus out-of-pocket expenses. Invoices will be submitted monthly and are payable upon submission.

Should you have any questions regarding the above, please do not hesitate to call.

Please acknowledge the above by signing and returning a copy of this letter.

Sincerely,



Robert L. Berger

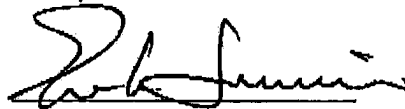
cc: Grenville Day, Esq.

Received and agreed to:

Refco, Inc.

Date: 11/21/05

By:



794-agreement letter

LIST OF AFFILIATES

On the date hereof, each of the affiliated entities listed below (including the debtor in this Chapter 11 case) filed in this Court a petition for relief under Chapter 11 of title 11 of the United States Code. Contemporaneously with the filing of these petitions, these entities filed a motion requesting that the Court administratively consolidate for procedural purposes only and jointly administer their Chapter 11 cases.

1. Refco Inc.
2. Borsco International LLC
3. Kroock & Associates, LLC
4. Marshall Metals LLC
5. New Refco Group Ltd., LLC
6. Refco Administration LLC
7. Refco Capital LLC
8. Refco Capital Holdings LLC
9. Refco Capital Management LLC
10. Refco Capital Markets, LTD
11. Refco Capital Trading LLC
12. Refco Finance Inc.
13. Refco Financial LLC
14. Refco Fixed Assets Management LLC
15. Refco FX Associates LLC
16. Refco Global Capital Management LLC
17. Refco Global Finance Ltd.
18. Refco Global Futures LLC
19. Refco Global Holdings LLC
20. Refco Group Ltd., LLC
21. Refco Information Services LLC
22. Refco Mortgage Securities, LLC
23. Refco Regulated Companies LLC
24. Summit Management LLC

Omni Management Group, I.L.C.
 16501 Ventura Blvd., Suite 440
 Encino, California 91436
 Tel: (818) 906-8300
 Fax: (818) 783-2737
<http://www.claimsmanager.com>

Refco, Inc. Rate Sheet

RATES EFFECTIVE JANUARY 2, 2005
 Claims Management/Processing Services

1 One Time Database Setup	WAIVED (Configuration and customization of database for client's needs based on initial conference)
2 Custom Website Set Up Monthly Web Hosting	WAIVED (Develop customized .asc websites) \$100 per month
3 Court Claims Docket Creation and Updating of Court Proofs of Claim Docket	WAIVED
4 Claim Processing Printing of initial proof of claim (Includes custom data & barcoding) Proofs of Claim Input Verification of claims input Scanning input of Proofs of Claim	\$.15 each \$ 1.50 per claim \$ 35.00-\$75.00 per hour \$.30 per page plus \$35.00 per hour
5 Specialized Services Technical/Consulting & Executive Support Programming Clerical Support	\$ 95.00-\$285.00 per hour \$100.00 to \$185.00 per hour \$ 35.00 - \$85.00 per hour
6 Remote Internet Access One-Time Set-Up Fee Monthly Access	WAIVED \$500.00 per month per debtor, includes up to 3 users \$ 70.00 per additional user per month
7 Expenses Postage, Delivery, Phone Faxes - Incoming Faxes - Outgoing Labels Envelopes Folding & Stuffing	At Cost \$.10 per page \$.50 per page \$.05 - .15 each Price varies as per size \$.05 per envelope
8 Support Services Photocopies/Printing Monthly Data Storage	\$.10 per page \$.07 per creditor on file (subject to reduction as appropriate)
9 Balloting Services and Fees Special Services Ballots Tabulated Verification of Ballot Input	See Item 4 above \$.25 each \$ 35.00-\$65.00 per hour
10 Newspaper Legal Notice Publishing	Quote prior to publishing