

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

SECURITIES INVESTOR PROTECTION
CORPORATION,

Plaintiff-Applicant,

v.

BERNARD L. MADOFF INVESTMENT
SECURITIES LLC,

Defendant.

Adv. Pro. No. 08-01789 (LGB)

SIPA Liquidation

(Substantively Consolidated)

In re:

BERNARD L. MADOFF,

Debtor.

IRVING H. PICARD, Trustee for the
Substantively Consolidated SIPA of Bernard L.
Madoff Investment Securities LLC and the
Chapter 7 Estate of Bernard L. Madoff,

Plaintiff,

v.

PARSON FINANCE PANAMA S.A.,

Defendant.

Adv. Pro. No. 11-02542 (LGB)

STIPULATION AND ORDER CONCERNING MEDIATION

Plaintiff Irving H. Picard, as trustee (the “Trustee”) for the substantively consolidated liquidation of Bernard L. Madoff Investment Securities LLC under the Securities Investor Protection Act, 15 U.S.C. § 78aaa-lll, and the chapter 7 estate of Bernard L. Madoff individually, and Parson Finance Panama S.A. (“Defendant” and, together with the Trustee, the “Parties,” and each individually, a “Party”), by and through their respective undersigned counsel, hereby stipulate and agree as follows:

WHEREAS, on August 18, 2011, the Trustee commenced this adversary proceeding by filing a complaint (the “Complaint”) against the Defendant (ECF No. 1);

WHEREAS, after various motions and appeals and the denial of a motion to dismiss, the Defendant filed an Amended Answer to the Complaint on September 30, 2022 (ECF No. 115);

WHEREAS, the Parties entered into a First Amended Case Management Plan on November 21, 2024 (ECF No. 121);

WHEREAS, the Parties have exchanged written discovery and document productions;

WHEREAS, the Parties have had ongoing discussions about the potential for mediation and recently agreed upon a mediator;

WHEREAS, the Parties have agreed to mediation of this action with Deborah A. Reperowitz (the “Mediator”);

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED, by and between the undersigned counsel, and upon review by the Court it is ORDERED, as follows:

1. Defendant and the Trustee, by through their respective counsel, shall submit to mediation (the “Mediation”) consistent with the Court’s General Order M-390 Amending And Restating Adopted Procedures Governing Mediation of Matters in Bankruptcy Cases and Adversary Proceedings dated December 1, 2009, and any amendments thereto, on the issues presented in this adversary proceeding.
2. The Mediation shall be conducted by the Mediator in person, on a date and at a location to be determined by the Mediator and agreed upon by the Parties, and to be continued on additional day(s) to be agreed upon by the Parties and the Mediator.
3. No Party shall be bound by anything said or done during the Mediation, unless a Party voluntarily agrees to be so bound by a written and signed stipulation submitted to the Mediator

and the other Parties.

4. The Mediation process shall be considered a settlement negotiation for the purpose of all federal and state rules protecting disclosures made during such negotiations from later discovery or use in evidence. The entire Mediation procedure shall be confidential, and no stenographic or other record shall be made except to memorialize a settlement record. All communications, oral or written, that a party or its employee or other agents make during the Mediation are confidential and are to be considered work product and privileged. Such communications, statements, promises, offers, views and opinions shall not be discoverable or admissible for any purpose, including impeachment, in any litigation or other proceeding involving the parties. Evidence otherwise discoverable or admissible is not excluded from discovery or admission in evidence simply as a result of having been used in connection with the Mediation process.
5. The Mediator and her agents shall have immunity consistent with §6.0 of the General Order # M-452, amending and reinstating General Orders M-143, M-211 and M-390, Re: Procedures Governing Mediation of Matters and the Use of Early Neutral Evaluation and Mediation/Voluntary Arbitration in Bankruptcy Cases and Adversary Proceedings, §6.0 (Bankr. S.D.N.Y. June 28, 2013), and from compulsory process to testify or produce documents in connection with the Mediation.
6. The Parties: (i) shall not call or subpoena the Mediator as a witness or expert in any proceeding relating to: the Mediation, the subject matter of the Mediation, or any thoughts or impressions that the Mediator may have about the parties in the Mediation, and (ii) shall not subpoena any notes, documents or other material prepared by the Mediator in connection with the Mediation, and (iii) shall not offer into evidence any statements, views or opinions of the Mediator.

7. The Parties shall work with the Mediator and agree on a procedure for Mediation and deadlines for the submission of mediation statements.
8. Defendant and the Trustee must be prepared to mediate in good faith and exchange offers at the Mediation.
9. The Parties agree to focus their attention on the Mediation until the Mediation takes place. To that end, the Parties shall pause formal discovery. Should the case not settle at the Mediation and fact discovery continues, the Parties agree to extend fact discovery for a commensurate amount of time to the extent either Party requests it at a later date.
10. Defendant and the Trustee each shall pay 50% of the costs of the Mediation.
11. The Parties agree that this mediation will conclude within 120 days from the date that this Stipulation and Order is entered, unless that deadline is extended by mutual consent of the Parties and the Mediator.
12. This Stipulation and Order may be signed by the Parties in any number of counterparts, each of which when so signed shall be an original, but all of which shall together constitute one and the same instrument. A signed facsimile, photostatic or electronic copy of this Stipulation and Order shall be deemed an original.

[Signatures on following page]

Date: October 28, 2025
New York, New York

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SO ORDERED.

DATED: October 29, 2025
NEW YORK, NEW YORK

/s/ Lisa G. Beckerman
HONORABLE LISA G. BECKERMAN
UNITED STATES BANKRUPTCY JUDGE