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*Attorneys for Irving H. Picard, Trustee for the
Substantively Consolidated SIPA Liquidation of
Bernard L. Madoff Investment Securities LLC and
the Chapter 7 Estate of Bernard L. Madoff*

**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 Liquidation
of Bernard L. Madoff Investment Securities
LLC and the Chapter 7 Estate of Bernard L.
Madoff,

Plaintiff,

v.

BANK HAPAOLIM B.M., BANK
HAPOALIM (SWITZERLAND) LTD.,

Defendants.

Adv. Pro. No. 12-01216 (LGB)

**MOTION FOR ENTRY OF ORDER PURSUANT TO SECTION 105(a) OF THE
BANKRUPTCY CODE AND RULES 2002 AND 9019 OF THE FEDERAL RULES
OF BANKRUPTCY PROCEDURE APPROVING A SETTLEMENT AGREEMENT
BY AND BETWEEN THE TRUSTEE AND DEFENDANTS**

TO: THE HONORABLE LISA G. BECKERMAN
UNITED STATES BANKRUPTCY COURT

Irving H. Picard (the “Trustee”), as trustee for the liquidation of Bernard L. Madoff Investment Securities LLC (“BLMIS”) under the Securities Investor Protection Act, 15 U.S.C. §§ 78aaa–III (“SIPA”), and the substantively consolidated chapter 7 estate of Bernard L. Madoff, by and through his undersigned counsel, submits this motion (“Motion”) seeking entry of an order, pursuant to section 105(a) of the United States Bankruptcy Code, 11 U.S.C. §§ 101 et seq., and Rules 2002 and 9019 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), approving a settlement, the terms and conditions of which are set forth in the settlement agreement (the “Settlement Agreement”), attached hereto as Exhibit A, by and between the Trustee and Bank Hapoalim B.M. and Hapoalim (Switzerland) Ltd. in Liquidation (sued as Bank Hapoalim (Switzerland) Ltd.) (collectively “Defendants”). In support of the Motion, the Trustee respectfully represents as follows:

PRELIMINARY STATEMENT

The Trustee’s action against Defendants seeks to recover \$21,759,209.00 in alleged transfers of customer property (the “Subsequent Transfers”) that Defendants allegedly received from BLMIS through Fairfield Sentry Limited.¹ The Trustee’s settlement with Defendants provides for payment to the Trustee of \$9,500,000. The Settlement Agreement represents a good faith, complete, and final settlement of the Trustee’s claims for the benefit of the customer property

¹ This Motion is required because the alleged Subsequent Transfers exceed \$20,000,000, a ceiling established by the Settlement Procedures Order entered by this Court on November 12, 2010, Adv. Pro. No. 08-01789 (LGB) (ECF No. 3181), below which the Trustee may enter into settlements with initial or subsequent BLMIS transferees without further order of the Court.

fund. The Trustee respectfully requests that the Court enter an order approving the settlement, substantially in the form of the proposed Order attached hereto as Exhibit B.

THE TRUSTEE'S CLAIMS AND STATUS OF THE ACTION

On March 29, 2012, the Trustee commenced an adversary proceeding (the "Action") by filing a complaint to recover Subsequent Transfers. *See Picard v. Bank Hapoalim B.M. and Bank Hapoalim (Switzerland) Ltd.*, Adv. Pro. No. 12-01216 (LGB), ECF No. 1.

On February 7, 2022, the Court entered an Order which dismissed certain subsequent transfers related to Kingate Global. Following the entry of the Order, the Trustee was seeking to recover the remaining Subsequent Transfers from Fairfield Sentry to Defendants. ECF No. 113.

On November 21, 2022, Defendants filed their answer to the Trustee's complaint, as amended. ECF No. 132. The parties subsequently engaged in extensive settlement negotiations, which culminated in the Settlement Agreement.

OVERVIEW OF THE SETTLEMENT AGREEMENT

In light of the delay, expense, and uncertainties associated with litigation, the parties desire to settle the Trustee's claims. The Settlement Agreement should be reviewed for a complete account of its terms.² The principal terms, however, are as follows:

- Within twenty (20) calendar days after the effective date of the Settlement Agreement, Bank Hapoalim B.M. shall pay to the Trustee \$9,500,000.00 (the "Settlement Payment") in full and final satisfaction of the Trustee's claims;
- The Trustee will release, acquit, and absolutely discharge Defendants, affiliates, and certain others, as set forth in the Settlement Agreement;
- Defendants will release, acquit, and absolutely discharge the Trustee and his agents and BLMIS and its consolidated estate as set forth in the Settlement Agreement; and

² This summary is provided for purposes of convenience only. To the extent any of the terms described below are inconsistent with the Settlement Agreement, the Settlement Agreement shall control in all respects.

- The Trustee shall submit for entry by the Court a stipulation and order dismissing the Action with prejudice and without costs to either party.

LEGAL BASIS

Bankruptcy Rule 9019 provides, in pertinent part, that “[o]n motion by the trustee and after notice and a hearing, the court may approve a compromise or settlement.” To approve a settlement under Rule 9019(a), a bankruptcy court should find that the proposed settlement is fair and equitable, reasonable, and in the best interest of a debtor’s estate. *In re Ionosphere Clubs, Inc.*, 156 B.R. 414, 426 (S.D.N.Y. 1993), *aff’d*, 17 F.3d 600 (2d Cir. 1994) (citing *Protective Comm. For Indep. Stockholders of TMT Trailer Ferry, Inc. v. Anderson*, 390 U.S. 414, 424 (1968)).

The bankruptcy court, in determining whether to approve a settlement, should not decide the numerous questions of law and fact raised by the settlement, but rather should “canvass the issues and see whether the settlement falls below the lowest point in the range of reasonableness.” *Cosoff v. Rodman (In re W.T. Grant Co.)*, 699 F.2d 599, 608 (2d Cir. 1983) (cleaned up); *see also Masonic Hall & Asylum Fund v. Official Comm. of Unsecured Creditors (In re Refco, Inc.)*, No. 05-60006 (RMB), 2006 WL 3409088, at *7 (S.D.N.Y. Nov. 16, 2006), *aff’d*, 505 F.3d 109 (2d Cir. 2007); *In re Ionosphere Clubs*, 156 B.R. at 426. “[T]he court need not conduct a ‘mini-trial’ to determine the merits of the underlying litigation.” *In re Purofied Down Prods. Corp.*, 150 B.R. 519, 522 (S.D.N.Y. 1993).

In deciding whether a settlement falls within the “range of reasonableness,” the bankruptcy court considers the following factors: (i) the probability of success in the litigation; (ii) the difficulties associated with collection; (iii) the complexity of the litigation, and the attendant expense, inconvenience, and delay; and (iv) the paramount interests of the creditors (or in this case, BLMIS’s defrauded customers). *In re Refco, Inc.*, 2006 WL 3409088, at *7; *Nellis v. Shugrue*, 165

B.R. 115, 122 (S.D.N.Y. 1994) (citing *In re Drexel Burnham Lambert Grp., Inc.*, 960 F.2d 285, 292 (2d Cir. 1992), *cert. denied*, 506 U.S. 1088 (1993)).

The bankruptcy court may consider and credit the opinions of the trustee of the debtor and his or her counsel in determining whether a settlement is fair and equitable. *See In re Purofied Down Prods.*, 150 B.R. at 522; *In re Drexel Burnham Lambert Grp Inc.*, 134 B.R. 499, 505 (Bankr. S.D.N.Y. 1991). Even though the bankruptcy court has discretion to approve settlements and must independently evaluate the reasonableness of the settlement, *In re Rosenberg*, 419 B.R. 532, 536 (Bankr. E.D.N.Y. 2009), the court should consider the business judgment of the trustee and his counsel in determining whether a settlement is fair and equitable. *In re Chemtura Corp.*, 439 B.R. 561, 594 (Bankr. S.D.N.Y. 2010). The court may also consider the competency and experience of counsel supporting the settlement. *Nellis*, 165 B.R. at 122. Finally, the court should be mindful of the principle that “the law favors compromise.” *In re Drexel Burnham Lambert Grp. Inc.*, 134 at 505 (Bankr. S.D.Y. 1991) (quoting *In re Blair*, 538 F.2d 849, 851 (9th Cir. 1976)).

The settlement with Defendants is fair and equitable, reasonable, and in the best interest of the BLMIS estate. While the Trustee believes he would ultimately prevail, litigation is never without risk. By contrast, the settlement with Defendants brings substantial benefits to the BLMIS estate without further expense or uncertainty. It would immediately augment the customer property fund via the Settlement Payment. The settlement also may encourage settlement discussions with other defendants from whom the Trustee is seeking to recover BLMIS subsequent transfers. Accordingly, in an exercise of his business judgement, the Trustee believes the settlement represents a fair and reasonable compromise of the Trustee’s claims. *See Declaration of the Trustee in Support of the Motion*, a true and accurate copy of which is attached hereto as Exhibit C.

CONCLUSION

Because the Settlement Agreement is well within the “range of reasonableness” and confers a benefit on the BLMIS estate and the victims of the Madoff Ponzi scheme, the Trustee respectfully requests that the Court enter an Order approving the Settlement Agreement.

NOTICE

In accordance with Bankruptcy Rules 2002 and 9019, notice of this Motion has been given to (i) the Securities Investor Protection Corporation; (ii) the U.S. Securities and Exchange Commission; (iii) the Internal Revenue Service; (iv) the United States Attorney for the Southern District of New York; and (v) Defendants’ counsel at Herbert Smith Freehills Kramer (New York) LLP. Notice of this Motion will also be provided via email and/or U.S. Mail to all persons who have filed notices of appearance in the BLMIS liquidation proceeding pursuant to the Order Establishing Notice Procedures and Limiting Notice, Adv. Pro. No. 08-01789 (LGB), ECF No. 4560. The Trustee submits that no other or further notice is required.

WHEREFORE, the Trustee respectfully requests that the Court enter an order substantially in the form of the proposed Order attached as Exhibit B approving the Settlement Agreement.

Dated: March 24, 2026
New York, New York

Respectfully submitted,

BAKER & HOSTETLER LLP

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*Special Counsel to Irving H. Picard,
Trustee for the Substantively Consolidated
SIPA Liquidation of Bernard L. Madoff
Investment Securities LLC and for the
Chapter 7 Estate of Bernard L. Madoff*

PLEASE TAKE NOTICE that Irving H. Picard (the “Trustee”), as trustee for the liquidation of Bernard L. Madoff Investment Securities LLC (“BLMIS”) under the Securities Investor Protection Act, 15 U.S.C. §§ 78aaa–III (“SIPA”), and the substantively consolidated chapter 7 estate of Bernard L. Madoff, by and through his undersigned counsel, will move before the Honorable Lisa G. Beckerman, United States Bankruptcy Judge, at the United States Bankruptcy Court, One Bowling Green, New York, New York 10004, **on April 29, 2026 at 10:00 a.m.**, or as soon thereafter as counsel may be heard, seeking entry of an order, pursuant to section 105(a) of the United States Bankruptcy Code and Rules 2002 and 9019 of the Federal Rules of Bankruptcy Procedure, approving the settlement, the terms of which are set forth in the Settlement Agreement by and between the Trustee and Bank Hapoalim B.M. and Hapoalim (Switzerland) Ltd. in Liquidation (sued as Bank Hapoalim (Switzerland) Ltd.), as more particularly set forth in the motion annexed hereto (the “Motion”).

PLEASE TAKE FURTHER NOTICE that the Hearing will be conducted remotely via Zoom for Government. All parties who wish to participate in the Hearing must refer to Judge Beckerman’s guidelines for remote appearances and are required to make arrangements to appear via Zoom for Government. Further instructions regarding remote appearances via Zoom for Government can be found on the Court’s website at <https://www.nysb.uscourts.gov/zoom-video-hearing-guide>. Pro se parties may participate telephonically in hearings free of charge.

PLEASE TAKE FURTHER NOTICE that written objections to the Motion must be filed with the Clerk of the United States Bankruptcy Court, One Bowling Green, New York, New York 10004 by no later than **April 15, 2026** (with a courtesy copy delivered to the Chambers of the Honorable Lisa G. Beckerman) and must be served upon (a) Baker & Hostetler LLP, 45 Rockefeller Plaza, New York, New York 10111, Attn: Keith R. Murphy, Esq.; (b) Securities Investor Protection Corporation, 1667 K Street, N.W., Suite 1000, Washington D.C. 20006, Attn: Kevin H. Bell, Esq. and Nicholas Hallenbeck, Esq. Any objections must specifically state the

interest that the objecting party has in these proceedings and the specific basis of any objection to the Motion.

PLEASE TAKE FURTHER NOTICE that failure to file timely objections may result in the entry of an order granting the relief requested in the Motion without further notice to any party or an opportunity to be heard.

PLEASE TAKE FURTHER NOTICE that you need not appear at the hearing if you do not object to the relief requested in the Motion.

Dated: March 24, 2026
New York, New York

Respectfully submitted,

BAKER & HOSTETLER LLP

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*Special Counsel to Irving H. Picard,
Trustee for the Substantively Consolidated
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Investment Securities LLC and for the
Chapter 7 Estate of Bernard L. Madoff*

EXHIBIT A

SETTLEMENT AGREEMENT AND RELEASE

THIS SETTLEMENT AGREEMENT AND RELEASE (this "Agreement") is entered into as of March 24, 2026, between Irving H. Picard, in his capacity as the trustee (the "Trustee") for the liquidation proceeding (the "SIPA Proceeding") under the Securities Investor Protection Act ("SIPA"), 15 U.S.C. §§ 78aaa—III, of Bernard L. Madoff Investment Securities LLC ("BLMIS") and the substantively consolidated chapter 7 estate of Bernard L. Madoff ("Madoff") pending before the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court"), and Bank Hapoalim B.M. and Hapoalim (Switzerland) Ltd. in Liquidation (sued as Bank Hapoalim (Switzerland) Ltd.) (collectively, the "Hapoalim Defendants"). The Trustee and the Hapoalim Defendants shall together be referred to herein as the "Parties" and each, individually, as a "Party."

RECITALS

WHEREAS, on March 29, 2012, the Trustee commenced an adversary proceeding by filing a complaint (the "Complaint") in the Bankruptcy Court against the Hapoalim Defendants in an action now captioned *Picard v. Bank Hapoalim B.M. and Bank Hapoalim (Switzerland) Ltd.*, Adv. Pro. No. 12-01216 (LGB) (the "Adversary Proceeding"), to recover alleged subsequent transfers from BLMIS under the Bankruptcy Code, the New York Debtor and Creditor Law, and other applicable laws;

WHEREAS, the Trustee alleged in the Complaint that the Hapoalim Defendants received subsequent transfers of customer property (as defined in SIPA section 78III(4)) in the amount of \$27,637,884 (the "Subsequent Transfers") from BLMIS through Fairfield Sentry Limited ("Fairfield Sentry) and Kingate Global Fund Ltd. ("Kingate Global");

WHEREAS, on February 7, 2022, the Court entered an Order which dismissed the Kingate Global Subsequent Transfers. Following entry of the Order, the remaining Subsequent Transfers being sought by the Trustee totaled \$21,759,209 from Fairfield Sentry to the Hapoalim Defendants;

WHEREAS, the Foreign Representatives for and Joint Liquidators of the Fairfield Sentry and the other Fairfield funds (collectively, the "Joint Liquidators") also have asserted claims against the Hapoalim Defendants, among other entities, in other proceedings before the Bankruptcy Court to recover transfers allegedly received by the Hapoalim Defendants from Fairfield Sentry, *see* Adv. Pro. Nos. 10-03510, 10-03636, 11-01467, and 12-1144 (collectively, the "Fairfield Actions");

WHEREAS, the Hapoalim Defendants deny the allegations in the Adversary Proceeding and the Fairfield Actions;

WHEREAS, Hapoalim (Switzerland) Ltd. in Liquidation is in the process of liquidation, and Bank Hapoalim B.M. has accordingly assumed all obligations and responsibilities to make any and all payments arising under this Agreement, which Bank Hapoalim B.M. has determined is in its best interests; and

WHEREAS, to avoid the time, expense, and risk of litigation, the Parties wish to compromise and resolve their disputes on the terms set forth herein, without admission of liability, any alleged wrongdoing, or any issue of fact or law.

NOW THEREFORE, for the good and valuable consideration set forth herein, the adequacy and sufficiency of which is acknowledged by the Parties, the Parties agree as follows:

1. Recitals.

The foregoing Recitals are incorporated into, and are a material part of, this Agreement.

2. Settlement Payment and Dismissal of the Adversary Proceeding.

(a) On the same day that the last of the Parties executes this Agreement, the Trustee shall file a motion under Rule 9019 of the Federal Rules of Bankruptcy Procedure (the "Rule 9019 Motion") in the Adversary Proceeding seeking entry of an order from the Bankruptcy Court approving this Agreement (the "Settlement Order"). The Rule 9019 Motion shall be filed to provide at least 21 days' notice prior to the return date, and the Rule 9019 Motion also shall provide that, unless otherwise directed by the Bankruptcy Court, any objections thereto must be timely filed in compliance with the applicable Federal Rules of Bankruptcy Procedure.

(b) This Agreement shall become effective only when both of the following have been satisfied: (i) the Settlement Order becomes a final, non-appealable order, and (ii) both the Joint Liquidators and the defendants in the Fairfield Actions fully execute a settlement agreement and release in connection with the Fairfield Actions (the "Effective Date").

(c) Within twenty (20) calendar days after the Effective Date, Bank Hapoalim B.M. shall, in consideration of the releases by the Trustee in Section 3(a) and the Joint Liquidators by separate agreement, pay to the Trustee the sum of Nine Million and Five Hundred Thousand United States Dollars (\$9,500,000.00) (the "Settlement Payment") by wire transfer using the instructions set forth in Schedule 1 to this Agreement. Satisfaction of the Trustee's obligations hereunder shall be conditioned on the receipt of the Settlement Payment by the Trustee.

(d) Within five (5) business days after the Trustee's receipt of the Settlement Payment, counsel for the Trustee and the Hapoalim Defendants shall execute, and the Trustee shall submit for entry to the Bankruptcy Court, a stipulation of dismissal to dismiss the Hapoalim Defendants from the Adversary Proceeding with prejudice and without costs to any Party, substantially in the form attached hereto as Exhibit 1.

3. Releases.

(a) In consideration for the covenants and agreements set forth in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged for purposes of this settlement only, the Trustee, on behalf of BLMIS, the Madoff estate, and the consolidated BLMIS/Madoff estate, hereby releases and forever discharges the Hapoalim Defendants, their respective affiliates (as defined in 17 C.F.R. § 230.405), and their respective direct or indirect, past or present officers, trustees, directors, principals, managers, members, related entities, stockholders, beneficiaries, investors, representatives, employees, staff, consultants, attorneys, professional advisors, agents, heirs, predecessors, successors, and assigns (collectively the "Releasees"), from any and all past, present, or future claims or causes of action (including any suit, petition, demand, or other claim in law, equity or arbitration) and from any and all allegations of liability or damages (including any allegation of duties, debts, reckonings, contracts, controversies, agreements, promises, damages, responsibilities, covenants, or accounts) of whatever kind, nature or description, direct or indirect, in law, equity or arbitration, absolute or contingent, in tort, contract, statutory liability or otherwise, based on strict liability, negligence, gross negligence, fraud, breach of fiduciary duty or otherwise (including attorneys' fees, costs, or disbursements) known or unknown (including Unknown Claims, as defined in Section 4 herein), that are, have been, could have been, or might in the future be, asserted by the Trustee on behalf of BLMIS, and/or the consolidated BLMIS/Madoff estate, against the Releasees based on, arising out of, or relating in any way to BLMIS, the Madoff estate, and/or the consolidated BLMIS/Madoff estate, the Subsequent Transfers, the Adversary Proceeding, or any investment made by any of the Hapoalim Defendants with Fairfield Sentry or any transfers made from Fairfield Sentry to any of the Hapoalim Defendants (the "Trustee's

Released Claims”). The Trustee’s Released Claims shall in no way be construed to include or apply to transfers to or redemptions of any other defendant or its affiliates in any other adversary proceeding currently pending in the SIPA Proceeding, *In re Bernard L. Madoff Investment Securities LLC*, Case No. 08-01789 (LGB).

(b) In consideration for the covenants and agreements in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Hapoalim Defendants, on behalf of themselves and their executors, administrators and assigns, hereby release and forever discharge: (i) the Trustee; (ii) the Trustee’s attorneys, professionals, agents and consultants; and (iii) BLMIS and its consolidated estate from any and all past, present, or future claims or causes of action (including any suit, petition, demand, or other claim in law, equity, or arbitration) and from any and all allegations of liability or damages (including any allegation of duties, debts, reckonings, contracts, controversies, agreements, promises, damages, responsibilities, covenants, or accounts) of whatever kind, nature or description, direct or indirect, in law, equity or arbitration, absolute or contingent, in tort, contract, statutory liability, or otherwise, based on strict liability, negligence, gross negligence, fraud, breach of fiduciary duty, or otherwise (including attorneys’ fees, costs, or disbursements) known or unknown (including Unknown Claims, as defined in Section 4 herein), that are, have been, could have been, or might in the future be, asserted by either of the Hapoalim Defendants against the Trustee based on, arising out of, or relating in any way to BLMIS, the Madoff estate, and/or the consolidated BLMIS/Madoff estate, the Adversary Proceeding, any investment made by any of the Hapoalim Defendants with Fairfield Sentry, the Subsequent Transfers or any other transfers made from Fairfield Sentry to any of the Hapoalim Defendants.

4. Unknown Claims.

“Unknown Claims” shall mean any claim released under Section 3 of this Agreement (the “Released Claims”) that a Party does not know of or suspect to exist as of the Effective Date of this Agreement. With respect to any and all Released Claims, the Parties hereby expressly waive the provisions, rights, and benefits of California Civil Code section 1542 (to the extent it applies herein), which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

The Parties also hereby waive any and all provisions, rights, and benefits conferred by any law of any domestic or foreign jurisdiction that would have the effect of limiting the application of the terms of the releases set forth herein at Section 3 of this Agreement.

5. No Admissions.

In connection with this Agreement, the Hapoalim Defendants do not admit or concede, and expressly deny, any liability or wrongdoing and further expressly deny the factual basis and legal validity of the claims in the Adversary Proceeding and the Fairfield Actions.

6. General Representations and Warranties.

(a) The Trustee represents and warrants that, as of the date hereof: (i) he has the full power, authority, and legal right to execute and deliver this Agreement and to perform his obligations hereunder; (ii) this Agreement has been duly authorized, executed, and delivered by the Trustee and constitutes the valid and binding agreement of the Trustee, enforceable against the Trustee in accordance with its terms; (iii) the Trustee has executed this Agreement with the full knowledge of any and all rights that the Trustee may have with respect to the

controversies herein compromised, and the Trustee has received independent legal advice from his counsel with regard to the facts relating to said controversies and with respect to the rights arising out of said facts; and (iv) no other person or entity, other than those specifically identified herein, has any interest in the matters that the Trustee releases herein, and the Trustee has not assigned or transferred or purported to assign or transfer to any such third person or party all or any portion of the matters that the Trustee release herein.

(b) The Hapoalim Defendants represent and warrant that, as of the date hereof: (i) the Hapoalim Defendants each have the full power, authority, and legal right to execute and deliver this Agreement and to perform their obligations hereunder; (ii) this Agreement has been duly authorized, executed, and delivered by each of the Hapoalim Defendants and constitutes the valid and binding agreement, enforceable against the Hapoalim Defendants in accordance with its terms; (iii) the Hapoalim Defendants have executed this Agreement with the full knowledge of any and all rights that the Hapoalim Defendants may have with respect to the controversies herein compromised, and they have received independent legal advice from their counsel with regard to the facts relating to said controversies and with respect to the rights arising out of said facts; and (iv) no other person or entity, other than those identified herein, has any interest in the matters that the Hapoalim Defendants release herein, and the Hapoalim Defendants have not assigned or transferred or purported to assign or transfer to any such third person or party all or any portion of the matters that the Hapoalim Defendants release herein.

(c) The Hapoalim Defendants further represent and warrant, to the best of their knowledge, information and belief, that other than the Subsequent Transfers and any transfers

included in the Hapoalim Defendants' separate agreement with the Joint Liquidators, they have not received, either directly or indirectly, any other money from BLMIS or Madoff.

7. Further Assurances.

Each Party shall execute and deliver any document or instrument reasonably requested by the other Party after the date of this Agreement to effectuate the intent of this Agreement.

8. Entire Agreement.

This Agreement constitutes the entire agreement and understanding among the Parties pertaining to the subject matter hereof and supersedes any and all prior or contemporaneous agreements, representations, and understandings of the Parties concerning the subject matter hereof.

9. Amendment; Waiver.

This Agreement may not be terminated, amended, or modified in any way except by written instrument signed by all Parties. No waiver of any provision of this Agreement shall be deemed to constitute a waiver of any other provision hereof; nor shall any such waiver constitute a continuing waiver.

10. Successors.

This Agreement shall be binding upon, inure to the benefit of and be enforceable against the Parties and their respective estates, personal representatives, executors, successors, and permitted assigns.

11. Negotiated Agreement.

This Agreement has been fully negotiated by the Parties. Each Party acknowledges and agrees that this Agreement has been drafted jointly, and the rule that ambiguities in an agreement or contract may be construed against the drafter shall not apply in the construction or interpretation of this Agreement.

12. Severability.

In the event that any term or provision of this Agreement or any application thereof is deemed to be invalid or unenforceable, the remainder of this Agreement and any other application of such term or provision shall not be affected thereby.

13. Counterparts; Electronic Copy of Signatures.

This Agreement may be executed and delivered in any number of counterparts, each of which so executed and delivered shall be deemed to be an original and all of which, taken together, shall constitute one and the same document. Each Party may evidence its execution of this Agreement by delivery to the other Parties of scanned or faxed copies of its signature, or by use of DocuSign, with the same effect as the delivery of an original signature.

14. Governing Law.

This Agreement and any claim related directly or indirectly to this Agreement shall be governed by and construed in accordance with the laws of the State of New York (without regard to the principles of conflicts of law thereof), the Bankruptcy Code, and SIPA. Each Party hereby waives on behalf of itself and its successors and assigns any and all right to argue that the choice of New York law provision is or has become unreasonable in any legal proceeding.

15. JURISDICTION; WAIVER OF JURY TRIAL.

(a) THE BANKRUPTCY COURT SHALL HAVE EXCLUSIVE JURISDICTION OVER ANY AND ALL DISPUTES BETWEEN OR AMONG THE PARTIES, WHETHER IN LAW OR EQUITY, ARISING OUT OF OR RELATING TO THIS AGREEMENT. IN THE EVENT THE SIPA PROCEEDING IS CLOSED BY A FINAL DECREE AND NOT REOPENED, THE PARTIES AGREE THAT ANY DISPUTE ARISING OUT OF THIS AGREEMENT MAY BE BROUGHT IN THE UNITED STATES

DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK OR THE SUPREME COURT OF THE STATE OF NEW YORK IN NEW YORK COUNTY.

(b) EACH PARTY HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

16. Expenses.

Each Party shall bear its respective expenses relating to or arising out of the Adversary Proceeding and this Agreement, including, but not limited to, fees for attorneys, experts, consultants, accountants, and other advisors.

17. Notices.

All notices or communications hereunder shall be in writing and delivered by hand or sent by registered or certified mail, return receipt requested, by overnight mail with confirmation, by facsimile (receipt confirmed) or by electronic means (receipt confirmed), in each case addressed and copied as set forth on the applicable signature page hereto. A Party may change its address for receiving notice by giving notice of a new address in the manner provided herein.

18. No Third-Party Beneficiaries.

Except as expressly provided in Section 3, the Parties do not intend to confer any benefit by or under this Agreement upon any person or entity other than the Parties hereto and their respective successors and permitted assigns.

19. Captions and Rules of Construction.

The captions in this Agreement are inserted for convenience and reference and neither define nor limit the scope or content of any of the provisions herein. The Parties acknowledge

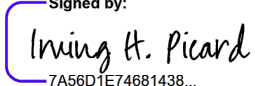
that no Party shall be deemed to be the principal drafter of this agreement, and no ambiguities herein may be construed against any Party.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK;
SIGNATURE PAGES TO FOLLOW]**

IN WITNESS WHEREOF, each Party has caused this Agreement to be duly executed
and delivered as of the date set forth above.

TRUSTEE

**IRVING H. PICARD, AS TRUSTEE FOR THE
LIQUIDATION PROCEEDINGS OF BERNARD L.
MADOFF INVESTMENT SECURITIES LLC AND
THE SUBSTANTIVELY CONSOLIDATED
CHAPTER 7 BANKRUPTCY CASE OF BERNARD L.
MADOFF**

Signed by:

By: 7A56D1E74681438...
Irving H. Picard, Trustee

Address:

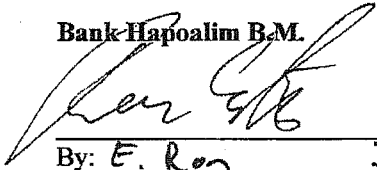
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BANK HAPOALIM DEFENDANT

Bank Hapoalim B.M.



By: E. Ron I. Strauss, Adv.
Its: COO Intl. Banking

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BANK HAPOALIM DEFENDANT

Hapoalim (Switzerland) Ltd. in Liquidation (sued as
Bank Hapoalim (Switzerland) Ltd.)


By: Ido Dolev
Its: Board Member and Liquidator
Hapoalim (Switzerland) in Liquidation
c/o Grant Thornton Advisory AG
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Bank Hapoalim (Switzerland) Ltd. in liquidation

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With copies to:

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New York, New York 10036
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Email: scott.balber@hsfkramer.com

SCHEDULE 1

Wiring Instructions

Citi Private Bank
153 East 53rd Street, 23rd Floor
New York, New York 10022

ABA No.:

Swift Code:

Account Name:

Account No.:

[REDACTED]

[REDACTED]

Irving H. Picard, Trustee for the Liquidation of Bernard L. Madoff
Investment Securities LLC

[REDACTED]

EXHIBIT I

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

SECURITIES INVESTOR PROTECTION
CORPORATION,

Plaintiff-Applicant,

v.

BERNARD L. MADOFF INVESTMENT
SECURITIES LLC,

Defendant,

In re:

BERNARD L. MADOFF,

Debtor.

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

Plaintiff,

v.

BANK HAPOALIM B.M. AND BANK
HAPOALIM (SWITZERLAND) LTD.,

Defendants.

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

SIPA Liquidation
(Substantively Consolidated)

Adv. Pro. No. 12-01216 (LGB)

**STIPULATION AND ORDER FOR VOLUNTARY DISMISSAL
OF DEFENDANTS FROM ADVERSARY PROCEEDING**

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-III, and the chapter 7 estate of Bernard L. Madoff, and defendants Bank Hapoalim B.M. and Bank Hapoalim (Switzerland) Ltd. (collectively, the "Hapoalim Defendants" and, together with the Trustee, the "Parties," and each individually, a

“Party”), by and through their respective undersigned counsel, hereby stipulate and agree to the following:

1. On March 29, 2012, the Trustee filed a Complaint against the Hapoalim Defendants and others in the above-captioned adversary proceeding (ECF No. 1).

2. On February 7, 2022, the Court entered an Order dismissing the Kingate Global Subsequent Transfers (ECF No. 113).

3. On November 21, 2022, the Hapoalim Defendants filed an Answer to the Complaint (ECF No. 132).

4. On _____, ____, the Parties entered into a settlement agreement that settled the Trustee’s claims against the Hapoalim Defendants, which was approved by order of this Court on _____, ____ (ECF No. __).

5. In accordance with Federal Rule of Bankruptcy Procedure 7041, and Federal Rule of Civil Procedure 41(a)(1), the Parties hereby stipulate to a dismissal of the Trustee’s claims against the Hapoalim Defendants in the above-captioned adversary proceeding with prejudice and without costs to any Party.

6. The provisions of this Stipulation shall be binding upon and shall inure to the benefit of the Parties and their respective successors and assigns and upon all creditors and parties in interest.

7. This Stipulation 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 shall be deemed an original.

Date: _____, 2026
New York, New York

By: /s/ DRAFT
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the Substantively Consolidated SIPA
Liquidation of Bernard L. Madoff
Investment Securities LLC and
the Chapter 7 Estate of Bernard L. Madoff*

*Attorneys for Defendants Bank Hapoalim B.M. and
Bank Hapoalim (Switzerland) Ltd.*

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the Substantively Consolidated SIPA Liquidation
of Bernard L. Madoff Investment Securities LLC
and the Chapter 7 Estate of Bernard L. Madoff*

EXHIBIT B

Code, 11 U.S.C. §§ 101 *et seq.*, and Rules 2002(a)(3) and 9019(a) of the Federal Rules of Bankruptcy Procedure, approving the settlement agreement (the “Settlement Agreement”) by and between the Trustee and Bank Hapoalim B.M. and Hapoalim (Switzerland) Ltd. in Liquidation (sued as Bank Hapoalim (Switzerland) Ltd.) (collectively “Defendants”); and it appearing that due and sufficient notice of the Motion and the relief requested therein has been given to all parties in interest as required by Rules 2002 and 9019 of the Federal Rules of Bankruptcy Procedure and no other or further notice need be given; and the Court having considered the Motion and the Trustee’s declaration in support of the Motion; and it further appearing that this Court has jurisdiction to consider the Motion and the relief requested therein under 28 U.S.C. §§ 157 and 1334; and after due deliberation; and sufficient cause appearing therefor; **IT IS HEREBY:**

ORDERED, that the Motion is granted; and it is further

ORDERED, that the Settlement Agreement between the Trustee and Defendants is approved and authorized; and it is further

ORDERED, that the Trustee and Defendants shall comply with and carry out the terms of the Settlement Agreement; and it is further

ORDERED, that this Court shall retain exclusive jurisdiction to hear, enforce, and determine all matters arising from or related to this Order.

Dated: _____
New York, New York

Honorable Lisa G. Beckerman
United States Bankruptcy Judge

EXHIBIT C

**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
Liquidation of Bernard L. Madoff Investment
Securities LLC,

Plaintiff,

v.

BANK HAPOALIM B.M., and BANK
HAPOALIM (SWITZERLAND) LTD.,

Defendants.

Adv. Pro. No. 12-01216 (LGB)

**DECLARATION OF IRVING H. PICARD, TRUSTEE, IN SUPPORT OF MOTION
FOR ENTRY OF ORDER, PURSUANT TO SECTION 105(a) OF THE BANKRUPTCY
CODE AND RULES 2002 AND 9019 OF THE FEDERAL RULES OF BANKRUPTCY
PROCEDURE, APPROVING SETTLEMENT AGREEMENT**

1. I am the trustee (the "Trustee") for the liquidation of Bernard L. Madoff Investment Securities LLC ("BLMIS") under the Securities Investor Protection Act, 15 U.S.C. §§ 78aaa-III, and the substantively consolidated chapter 7 estate of Bernard L. Madoff (together with BLMIS, the "Debtors"). I am familiar with the affairs of the Debtors. I respectfully submit this Declaration in support of the motion seeking entry of an order, pursuant to section 105(a) of

the United States Bankruptcy Code, 11 U.S.C. §§ 101 *et seq.*, and Rules 2002 and 9019 of the Federal Rules of Bankruptcy Procedure, approving the settlement agreement (the “Settlement Agreement”) by and between the Trustee and Bank Hapoalim B.M. and Hapoalim (Switzerland) Ltd. in Liquidation (sued as Bank Hapoalim (Switzerland) Ltd.) (collectively as “Defendants”).

2. I make this Declaration based upon my own personal knowledge or upon information I believe to be true.

3. In my business judgment, I believe the terms of the Settlement Agreement fall well within the range of reasonableness and, accordingly, this Court should approve the Settlement Agreement. The Settlement Agreement provides that Bank Hapoalim B.M. shall cause payment to the Trustee in the amount of \$9,500,000.00 in full and final satisfaction of the asserted claims. The Settlement Agreement resolves all issues between the Trustee and Defendants without the need for protracted and costly litigation, the outcome of which is uncertain. Litigating the claims would undoubtedly be complex, create further delay, and involve litigation risks associated with the unique facts of this case.

4. Given the complexities involved in proceeding with further litigation, I have determined, in my business judgment, that the Settlement Agreement represents a fair compromise of the claims against Defendants.

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

Executed on March 24, 2026.


Irving H. Picard, Trustee