Baker & Hostetler LLP
45 Rockefeller Plaza
New York, New York 10111
Telephone: (212) 589-4200

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. BANCO ITAÚ EUROPA LUXEMBOURG S.A., and BANCO ITAÚ EUROPA INTERNATIONAL, Defendants.	Adv. Pro. No. 12-01019 (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 THE DEFENDANTS

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

Irving H. Picard (the "Trustee"), as trustee for the substantively consolidated liquidation of Bernard L. Madoff Investment Securities LLC ("BLMIS"), under the Securities Investor Protection Act, 15 U.S.C. §§ 78aaa–*lll*, and the chapter 7 estate of Bernard L. Madoff, by and through his undersigned counsel, submits this motion ("Motion") seeking entry of an order in the above-captioned action (this "Action"), pursuant to section 105(a) of the United States Bankruptcy Code, 11 U.S.C. §§ 101–1532 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 as Exhibit A, by and between the Trustee and defendants Itaú International Holding Cayman Ltd. c/o Cainvest Bank and Trust Limited (f/k/a Itaú BBA International (Cayman) Ltd., Itaú Europa Luxembourg, S.A., and Banco Itaú Europa Luxembourg, S.A.) and Banco Itaú International (f/k/a Banco Itaú Europa International) ("Defendants" and, together with the Trustee, the "Parties"). In support of the Motion, the Trustee respectfully represents as follows:

PRELIMINARY STATEMENT

The Trustee's action against Defendants seeks to recover $73,705,272.00 in alleged transfers of customer property (the "Subsequent Transfers") that Defendants allegedly received from BLMIS through Fairfield Sentry Limited and Fairfield Sigma Limited (together, the "Fairfield Funds").[1] The Trustee's settlement with Defendants provides for a $25 million payment to the Trustee. The Settlement Agreement represents a good faith, complete, and final settlement

---

[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, Adv. Pro. No. 08-01789 (Bankr. S.D.N.Y. Nov. 12, 2010), ECF No. 3181, below which the Trustee may enter into settlements with initial or subsequent BLMIS transferees without further order of the Court.

of the Trustee's claims against Defendants for the benefit of the customer property fund. The Trustee respectfully requests that the Court enter an order approving the settlement between the Trustee and Defendants, substantially in the form of the Proposed Order attached as Exhibit B.

THE TRUSTEE'S CLAIMS AND STATUS OF THE ACTION

On January 12, 2012, the Trustee commenced this Action by filing a complaint (the "Complaint") to recover the Subsequent Transfers from Defendants. ECF No. 1.[2]

On March 14, 2022, Defendants moved to dismiss the Complaint under Federal Rules of Civil Procedure 12(b)(2) and 12(b)(6) (the "Motion to Dismiss"), arguing that one of the Defendants was not subject to personal jurisdiction in the United States, the Complaint failed to adequately plead that Defendants received BLMIS customer property, and that all claims based on initial transfers made more than two years before the petition date were barred by 11 U.S.C. § 546(e). *See* ECF Nos. 117–19. The Parties waived oral argument, and on November 18, 2022, this Court denied the Motion to Dismiss. *See* ECF Nos. 140, 145.

On January 30, 2023, Defendants answered the Complaint. ECF No. 147. The Parties then engaged in extensive discovery as well as mediation which ultimately culminated in the Settlement Agreement.

OVERVIEW OF THE SETTLEMENT AGREEMENT

Considering 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. The principal terms are as follows:[3]

---

[2] Unless otherwise indicated, all ECF references herein refer to the Action.

[3] 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.

- Within five business days after the effective date of the Settlement Agreement, Defendants shall pay or cause to be paid to the Trustee $25,000,000.00 (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 as well as BLMIS and its consolidated estate as set forth in the Settlement Agreement; and

- The Parties shall submit 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 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 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, 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. Thus, there is no need for "the court [to] conduct a 'mini-trial' to determine the merits of the underlying litigation." *In re Purified 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 court should consider 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*, 2006 WL3409088, 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 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 Purified Down Prods.*, 150 B.R. at 522; *In re Drexel Burnham Lambert Grp.*, 134 B.R. at 505. Even though the 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 credit 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.*, 134 B.R. at 505 (quoting *In re Blair*, 538 F.2d 849, 851 (9th Cir. 1976)).

The Trustee's 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 against Defendants. *See* Decl. of the Trustee in Supp. of the Mot., Ex. 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 Allen Overy Shearman Sterling 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, 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: July 29, 2026
New York, New York

Respectfully submitted,

BAKER & HOSTETLER LLP

By: *<u>/s/ Tara E. Turner</u>*

45 Rockefeller Plaza
New York, New York 10111
Telephone: (212) 589-4200
David J. Sheehan
Email: dsheehan@bakerlaw.com
Torello H. Calvani
Email: tcalvani@bakerlaw.com
Tara E. Turner
Email: tturner@bakerlaw.com

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

Baker & Hostetler
45 Rockefeller Plaza
New York, New York 10111
Telephone: (212) 589-4200

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

Hearing Date: August 19, 2026
Hearing Time: 10:00 am
Objections Due: August 12, 2026
Objection Time: 4:00 pm

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. BANCO ITAÚ EUROPA LUXEMBOURG S.A., and BANCO ITAÚ EUROPA INTERNATIONAL, Defendants.	Adv. Pro. No. 12-01019 (LGB)

NOTICE OF MOTION FOR ENTRY OF ORDER
APPROVING A SETTLEMENT AGREEMENT
<u>BY AND BETWEEN THE TRUSTEE AND DEFENDANTS</u>

PLEASE TAKE NOTICE that Irving H. Picard (the "Trustee"), as 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, 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 August 19, 2026, at 10:00 a.m. (the "Hearing"), 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 a settlement, the terms of which are set forth in the Settlement Agreement by and between the Trustee and defendants Itaú International Holding Cayman Ltd. c/o Cainvest Bank and Trust Limited (f/k/a Itaú BBA International (Cayman) Ltd., Itaú Europa Luxembourg, S.A., and Banco Itaú Europa Luxembourg, S.A.) and Banco Itaú International (f/k/a Banco Itaú Europa International), as more particularly set forth in the motion annexed hereto (the "Motion").

PLEASE TAKE FURTHER NOTICE that pursuant to the Court's directive, all hearings will be conducted remotely pending further Order of the Court. All parties who wish to participate in the Hearing must refer to the *Procedures for All Hearings Before Beckerman Being Held by Zoom Video* and are required to make arrangements to appear via ZoomGov. For further details on ZoomGov, please call the Courtroom Deputy at (845) 451−6367. Further instructions regarding remote appearances via ZoomGov can be found on the Court's website at https://www.nysb.uscourts.gov/zoom-video-hearing-guide.

PLEASE TAKE FURTHER NOTICE that if you object to the relief requested in the Motion you are required to file a written objection ("Objection") with the Clerk of the United States Bankruptcy Court, the Alexander Hamilton Customs House, One Bowling Green, New York, New York 10004 by no later than August 12, 2026 at 4:00 p.m. (the "Objection Deadline").

The Objection must be served upon (a) Baker & Hostetler LLP, counsel for the Trustee, 45 Rockefeller Plaza, New York, New York 10111, Attn: David J. Sheehan, Esq. and (b) the Securities Investor Protection Corporation, 1667 K Street, NW, Suite 1000, Washington, DC 20006, Attn: Kevin H. Bell, Esq. and Nathanael Kelley, Esq. Any Objection must specifically state the interest that the objecting party has in these proceedings and the basis of the objection to the Motion.

PLEASE TAKE FURTHER NOTICE that if no Objections are timely served with respect to the Motion, the Trustee may, on or after the objection deadline, submit to the Bankruptcy Court an order substantially in the form of the proposed order annexed hereto, which may be entered without further notice 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: July 29, 2026
New York, New York

Respectfully submitted,

BAKER & HOSTETLER LLP

By: *_/s/ Tara E. Turner_*

45 Rockefeller Plaza
New York, New York 10111
Telephone: (212) 589-4200
David J. Sheehan
Email: dsheehan@bakerlaw.com
Torello H. Calvani
Email: tcalvani@bakerlaw.com
Tara E. Turner
Email: tturner@bakerlaw.com

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

EXHIBIT A

SETTLEMENT AGREEMENT AND RELEASE

THIS SETTLEMENT AGREEMENT AND RELEASE (this "Agreement") is entered into as of July 23, 2026 between Irving H. Picard (the "Trustee"), in his capacity as the trustee for the substantively consolidated liquidation proceeding under the Securities Investor Protection Act ("SIPA"), 15 U.S.C. §§ 78aaa–*lll*, of Bernard L. Madoff Investment Securities LLC ("BLMIS") and the 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 Itaú International Holding Cayman Ltd. (f/k/a Itaú BBA International (Cayman) Ltd., Itaú Europa Luxembourg, S.A. and Banco Itaú Europa Luxembourg, S.A.), and Banco Itaú International (f/k/a Banco Itaú Europa International) (together, "Itaú"). The Trustee and Itaú shall together be referred to herein as the "Parties" and each, individually, as a "Party."

RECITALS

WHEREAS, on January 12, 2012, the Trustee commenced an adversary proceeding by filing a complaint (the "Complaint") against Itaú in the Bankruptcy Court, ECF No. 1, in an action captioned *Picard v. Banco Itaú Europa Luxembourg S.A.*, Adv. Pro. No. 12-01019 (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, on January 26, 2022, the Bankruptcy Court entered a stipulation and order (the "Stipulation and Order") to amend the Complaint to dismiss claims to recover certain transfers alleged in the Complaint (ECF No. 113);

WHEREAS, the Complaint, as amended by the Stipulation and Order, alleges that Itaú received subsequent transfers of customer property (as defined in SIPA section 78*lll*(4)) in the amount of $73,319,097 (the "Subsequent Transfers") from BLMIS through Fairfield Sentry

Limited ("Fairfield Sentry") and Fairfield Sigma Limited ("Fairfield Sigma", and together with Fairfield Sentry, the "Fairfield Funds");

WHEREAS, the Foreign Representatives for and Joint Liquidators of the respective Fairfield Funds (collectively, the "Joint Liquidators") also have asserted claims against Itaú in other proceedings before the Bankruptcy Court to recover transfers allegedly received by Itaú from the Fairfield Funds, *see* Adv. Pro. Nos. 10-03755 and 12-01124 (together with any appeals thereof, the "Fairfield Actions");

WHEREAS, Itaú denies the allegations and all liability in the Adversary Proceeding and in the Fairfield Actions; and

WHEREAS, to avoid the time, expense, and risk of litigation, the Parties wish to compromise and resolve the disputes between them on the terms set forth herein, without admission of any liability, any negligence, 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 hereby acknowledged, 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) Upon execution of this Agreement, the Trustee shall file a motion under Rule 9019 of the Federal Rules of Bankruptcy Procedure in a form and substance reasonably acceptable to Itaú (the "Rule 9019 Motion") in the Adversary Proceeding seeking the Bankruptcy Court's entry of an order (the "Settlement Order") approving this Agreement. The Trustee shall file the Rule 9019 Motion to provide at least 21 days' notice prior to the return date, and the Rule 9019 Motion shall also 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 all of the following have been satisfied: (i) the Settlement Order becomes a final, non-appealable order; (ii) Itaú receives executed forms of release with prejudice from the Joint Liquidators in connection with the Fairfield Actions pursuant to a settlement agreement in form and substance satisfactory to Itaú (the "Liquidators' Agreement"); and (iii) the Joint Liquidators have represented to Itaú either that the Eastern Caribbean Supreme Court (High Court) has approved the Liquidators' Agreement or that such approval is not required (the "Effective Date").

(c) Within five (5) business days after the Effective Date, Itaú shall, in consideration of the releases by the Trustee in Section 3(a) of the Agreement and by the Joint Liquidators in the Liquidators' Agreement, pay or cause to be paid to the Trustee the sum of Twenty-Five Million United States Dollars ($25,000,000.00) (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 three (3) business days after the Trustee's receipt of the Settlement Payment, counsel for the Parties shall execute, and the Trustee shall submit for entry by the Bankruptcy Court, a stipulation and order dismissing the Trustee's claims against Itaú in the Adversary Proceeding and dismissing 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 Itaú and any and all of its affiliates (as defined in 17 C.F.R. § 230.405), its past and present partners, officers, trustees, directors, principals, managers, members, related entities, stockholders, beneficiaries, investors, representatives, employees, staff, consultants, attorneys, professional advisors, agents, heirs, predecessors, successors and assigns, as well as its clients and customers (and their respective successors, estates, assignees, representatives and affiliates) on whose behalf Itaú redeemed shares of the Fairfield Funds or any other BLMIS-related investment vehicle (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, the Madoff estate, and/or the consolidated BLMIS/Madoff estate, against any of the Releasees based on, arising out of, or relating in any way to BLMIS, the Madoff estate, and/or the consolidated BLMIS/Madoff estate, including, but not limited to, the Subsequent Transfers, the Adversary Proceeding, or any investment, redemption, or transfer made or received by Itaú or its affiliates with the Fairfield Funds or any other BLMIS-related investment vehicle (the "Trustee's Released Claims"). Notwithstanding the foregoing, the Trustee's Released Claims shall in no way be construed to include or apply to any other defendant or its affiliates in any other currently pending adversary proceeding 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, Itaú, on behalf of itself and any and all of its executors, administrators, and assigns, hereby releases and forever discharges: (i) the Trustee; (ii) the Trustee's attorneys, professionals, agents and consultants; and (iii) BLMIS and its consolidated BLMIS/Madoff 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 Itaú 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, including, but not limited to, the Subsequent Transfers, the Adversary Proceeding, any investment, redemption, or transfer made or received by Itaú with the Fairfield Funds or any other BLMIS-related investment vehicle.

4. <u>Unknown Claims</u>.

"<u>Unknown Claims</u>" shall mean any claim released under Section 3 of this Agreement (the "<u>Released Claims</u>") 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, Itaú does not admit or concede, and expressly denies, any liability, negligence, or wrongdoing and further expressly denies 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 its 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) Itaú represents and warrants that, as of the date hereof: (i) it has the full power, authority, and legal right to execute and deliver this Agreement and to perform its obligations hereunder; (ii) this Agreement has been duly authorized, executed, and delivered by Itaú and constitutes the valid and binding agreement of Itaú, enforceable against Itaú in accordance with its terms; (iii) Itaú has executed this Agreement with the full knowledge of any and all rights that Itaú may have with respect to the controversies herein compromised, and Itaú has received independent legal advice from its 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 Itaú releases herein, and Itaú 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 Itaú releases herein.

7. Further Assurances.

Each Party shall execute and deliver any document or instrument reasonably requested by another Party after the Effective Date to effectuate the intent of this Agreement, subject to any law which may be applicable to the information or document requested, provided however that the requesting Party shall bear all reasonable costs associated with the other Party complying with the request.

8. Entire Agreement.

This Agreement constitutes the entire agreement and understanding between 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.

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.

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

IRVING H. PICARD, AS TRUSTEE FOR THE SUBSTANTIVELY CONSOLIDATED SIPA LIQUIDATION PROCEEDING OF BERNARD L. MADOFF INVESTMENT SECURITIES LLC AND THE CHAPTER 7 ESTATE OF BERNARD L. MADOFF

Signed by:

By: Irving H. Picard

7A56D1E74681438...

Irving H. Picard, Trustee

Address:
Irving H. Picard
c/o Baker & Hostetler LLP
45 Rockefeller Plaza
New York, New York 10111

With copies to:
Baker & Hostetler LLP
45 Rockefeller Plaza
New York, New York 10111
Attention: David J. Sheehan

ITAÚ INTERNATIONAL HOLDING CAYMAN LTD. (f/k/a I ITAÚ BBA INTERNATIONAL (CAYMAN) LTD., ITAÚ EUROPA LUXEMBOURG, S.A. AND BANCO ITAÚ EUROPA LUXEMBOURG, S.A.)

By: ______________________
Name: Andre Balestrin Cestare
Title: Director

By: ______________________
Name: Renato da Silva Carvalho
Title: Director

Address:

Itaú International Holding Cayman Ltd.
c/o Cainvest Bank and Trust Limited
P.O. BOX 1353
Harbour Place, 103 South Church Street, 5th Floor
George Town, Grand Cayman, Cayman Islands
KY1-1108

With copies to:
A&O Shearman
599 Lexington Avenue
New York, New York 10022
Attention: Jeffrey Resetarits

BANCO ITAÚ INTERNATIONAL
(f/k/a BANCO ITAÚ EUROPA INTERNATIONAL)

By: ______________________________
Name: Percy Moreira
Title: CEO

By: ______________________________
Name: Erico Nunes Narchi
Title: Chief Legal Officer

Address:
Banco Itaú International
200 S. Biscayne Blvd, Suite 2200
Miami, Florida 33131

With copies to:
A&O Shearman
599 Lexington Avenue
New York, New York 10022
Attention: Jeffrey Resetarits

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

ABA No.: [redacted]

Swift Code: [redacted]

Account Name: Irving H. Picard, Trustee for the Liquidation of Bernard L. Madoff Investment Securities LLC
Account No.: [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,	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. BANCO ITAÚ EUROPA LUXEMBOURG S.A., and BANCO ITAÚ EUROPA INTERNATIONAL, Defendants.	Adv. Pro. No. 12-01019 (LGB)

STIPULATION AND ORDER FOR
VOLUNTARY DISMISSAL OF 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–*lll*, and the chapter 7 estate of Bernard L. Madoff, and defendants Itaú BBA International (Cayman) Ltd. (f/k/a Itaú Europa Luxembourg, S.A. and Banco Itaú Europa Luxembourg, S.A.) and Banco Itaú International (f/k/a Banco Itaú Europa

International) (together, "Itaú," and collectively with the Trustee, the "Parties," and each, individually, as a "Party"), by and through their respective undersigned counsel, hereby stipulate and agree to the following:

1. On January 12, 2012, the Trustee filed a Complaint against Itaú in the above-captioned adversary proceeding (ECF No. 1).

2. On January 26, 2022, the Bankruptcy Court entered a stipulation and order to amend the Complaint to dismiss claims to recover certain transfers alleged in the Complaint (ECF No. 113).

3. On January 30, 2023, Itaú filed an Answer to the Complaint (ECF No. 147).

4. On ____________, 2026, the Parties entered into a settlement agreement that settled the Trustee's claims against Itaú, which was approved by order of this Court on ___________, 2026 (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 Itaú in the above-captioned adversary proceeding with prejudice and without costs to any Party.

6. 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. 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.

Dated: _____________, 2026
New York, New York

BAKER & HOSTETLER LLP

By: ________________________
45 Rockefeller Plaza
New York, New York 10111
Telephone: (212) 237-1000
Facsimile (212) 589-4201
David J. Sheehan
Email: dsheehan@bakerlaw.com
Torello H. Calvani
Email: tcalvani@bakerlaw.com
Tara E. Turner
Email: tturner@bakerlaw.com

Attorneys for Plaintiff 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

A&O SHEARMAN

By: ________________________
599 Lexington Avenue
New York, New York 10022
Telephone: (212) 848-4000
Facsimile: (646) 848-7174
Jeffrey Resetarits
Email: jeffrey.resetarits@aoshearman.com
Randall Martin
Email: randall.martin@aoshearman.com

Attorneys for Defendants Itaú BBA International (Cayman) Ltd. (f/k/a Itaú Europa Luxembourg, S.A. and Banco Itaú Europa Luxembourg, S.A.) and Banco Itaú International (f/k/a Banco Itaú Europa International)

Dated: ___________, 2026
NEW YORK, NEW YORK

____
HONORABLE LISA G. BECKERMAN
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT B

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. BANCO ITAÚ EUROPA LUXEMBOURG S.A., and BANCO ITAÚ EUROPA INTERNATIONAL, Defendants.	Adv. Pro. No. 12-01019 (LGB)

[PROPOSED] 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

Upon the motion (the "Motion") of Irving H. Picard (the "Trustee"), as 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, seeking entry of an order, pursuant to section 105(a) of title 11, United States Code, 11 U.S.C. §§ 101–1532, and Rules 2002(a)(3) and 9019(a) of the Federal Rules of Bankruptcy

Procedure, approving a settlement agreement (the "Settlement Agreement") by and between the Trustee and Itaú International Holding Cayman Ltd. c/o Cainvest Bank and Trust Limited (f/k/a Itaú BBA International (Cayman) Ltd., Itaú Europa Luxembourg, S.A., and Banco Itaú Europa Luxembourg, S.A.) and Banco Itaú International (f/k/a Banco Itaú Europa International) ("Defendants"); and it appearing that due and sufficient notice of the Motion and the relief requested therein have 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 needs to be given; and the Trustee having filed a certificate of no objection (ECF No. ___) representing that no objection has been received and no party has indicated to the Trustee that it intends to oppose the relief requested in the Motion; 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.

SO ORDERED.

Dated: ____________, 2026
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 Substantively Consolidated SIPA Liquidation of Bernard L. Madoff Investment Securities LLC and the Chapter 7 Estate of Bernard L. Madoff, Plaintiff, v. BANCO ITAÚ EUROPA LUXEMBOURG S.A., and BANCO ITAÚ EUROPA INTERNATIONAL, Defendants.	Adv. Pro. No. 12-01019 (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 substantively consolidated liquidation of Bernard L. Madoff Investment Securities LLC ("BLMIS"), under the Securities Investor Protection Act, 15 U.S.C. §§ 78aaa–*lll*, and the 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. §§ 101–1532, 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 defendants Itaú International Holding Cayman Ltd. c/o Cainvest Bank and Trust Limited (f/k/a Itaú BBA International (Cayman) Ltd. (f/k/a Itaú Europa Luxembourg, S.A. and Banco Itaú Europa Luxembourg, S.A.) and Banco Itaú International (f/k/a Banco Itaú Europa International) ("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 Defendants shall cause payment to the Trustee in the amount of $25,000,000.00 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 would 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 July 29, 2026.

Irving H. Picard, Trustee

Irving H. Picard, Trustee