

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

PASHA S. ANWAR, *et al.*,  
Plaintiffs,  
v.  
FAIRFIELD GREENWICH LIMITED, *et al.*,  
Defendants.

Master File No. 09-cv-118 (VM)

**NOTICE OF PROPOSED PARTIAL SETTLEMENT OF CLASS ACTION AND SETTLEMENT  
FAIRNESS HEARING, AND MOTION FOR ATTORNEYS' FEES AND REIMBURSEMENT OF EXPENSES**

*Your legal rights may be affected – Please read this Notice carefully.*

To: All beneficial owners of shares or limited partnership interests in Fairfield Sentry Limited (“Sentry”), Fairfield Sigma Limited (“Sigma”), Fairfield Lambda Limited (“Lambda”), Greenwich Sentry, L.P. (“Greenwich Sentry”) and Greenwich Sentry Partners, L.P. (“Greenwich Sentry Partners”) (collectively, the “Funds”) as of December 10, 2008 (whether as holders of record or traceable to a shareholder or limited partner account of record) (“Beneficial Owners”), who suffered a Net Loss of principal invested in the Funds (collectively, the “Settlement Class”).

If you meet the above definition of the Settlement Class, you could get a payment from a class action settlement.

*A federal court authorized this Notice. This is not a solicitation from a lawyer.*

The purpose of this Notice is to inform you of a proposed partial settlement of this class action (the “Action”) against the Citco Defendants (defined below) for a cash payment of \$125,000,000 (the “Settlement Fund”) and the scheduling of a settlement fairness hearing with respect to the proposed partial settlement and the motion of the Representative Plaintiffs and Plaintiffs’ Counsel (collectively “Plaintiffs”) for an award of attorneys’ fees and reimbursement of expenses. Documents related to the proposed settlement are available on the Settlement website established by the Notice and Claims Administrator (the “Claims Administrator”) at [www.fairfieldgreenwichlitigation.com](http://www.fairfieldgreenwichlitigation.com).

This Notice describes important rights you may have and what steps you must take if you wish to participate in the Settlement or wish to be excluded from the Settlement Class.

**DEADLINES**

| <b>YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:</b> |  |
|--|--|
| <b>SUBMIT A CLAIM FORM</b>                               | Deadline: December 28, 2015. This is the only way to receive a payment from the Settlement Fund.   |
| <b>EXCLUDE YOURSELF FROM THE SETTLEMENT CLASS</b>        | Deadline: October 16, 2015. Receive no payment from the Settlement. If the Court approves the Settlement, this is the only option that allows you ever to participate in any other lawsuit against the Citco Defendants and other Released Parties (defined below) which involves the Released Claims (defined below).   |
| <b>OBJECT</b>  | Deadline: October 16, 2015. You may write to the Court if you do not like this Settlement or the request for an award of attorneys’ fees and reimbursement of expenses. You may not object if you have excluded yourself from the Settlement.  |
| <b>GO TO THE SETTLEMENT HEARING</b>                      | Settlement Hearing Date: November 20, 2015. Whether or not you object to the Settlement, you may ask to speak in Court about the fairness of the Settlement. The Deadline to ask to speak in Court about the Settlement is October 16, 2015.<br><br>Plaintiffs must file their motion papers for Final Approval of the Settlement and for Approval of Attorneys’ Fees and Expenses on or before October 1, 2015. |
| <b>DO NOTHING</b>  | Receive no payment if you do not submit a claim form.  |

These rights and options—*and the deadlines to exercise them*—are explained in this Notice.

The Court presiding over this case must decide whether to approve the Settlement. Payments will be made only if the Court approves the Settlement, and if there are any appeals, after appeals are resolved, and the Claims Administrator has had an opportunity to process all claim forms. Please be patient.

Your legal rights are affected whether you act or do not act. Please read this Notice carefully.

## SPECIAL NOTICE TO NOMINEES OR CUSTODIANS

Pursuant to an Order of the District Court dated November 30, 2012, and a Notice of Proposed Partial Settlement dated December 17, 2012, the District Court requested that Persons who held any shares or limited partnership interests as nominee, custodian or other holder for a Beneficial Owner (“Nominee”) assist in providing notice of the Fairfield Greenwich (“FG”) Settlement (defined below) to Beneficial Owners of the Funds as of December 10, 2008. A copy of that Order and Notice are on the Claim Administrator’s website. If you are a Nominee and provided the December 17, 2012 Notice and related Proof of Claim and Release form (the “2012 Proof of Claim”) directly to Beneficial Owners and did not provide the Claims Administrator with a list of the names and addresses of the Persons to whom the Notice and 2012 Proof of Claim were delivered, you must within ten (10) days after you receive this Notice, at your option, either (i) send this Notice and Proof of Claim and Release (“Proof of Claim”) to the Beneficial Owner, or (ii) request the Claims Administrator to send you additional copies of this Notice and the Proof of Claim sufficient to deliver to all Beneficial Owners, and within ten (10) days after receipt thereof make such delivery to all Beneficial Owners, or (iii) provide a list of the names and addresses or email addresses of all Beneficial Owners to the Claims Administrator, who will send those Persons a copy of this Notice and the Proof of Claim by first class mail or email. Nominees who elect to themselves deliver the Notice and Proof of Claim to their Beneficial Owners shall send a statement to the Claims Administrator confirming that the delivery was made as directed, and subject to any confidentiality agreement, statute or regulation that may limit their ability to do so, shall provide the Claims Administrator with a list of the names and addresses of the Persons to whom the Notice and Proof of Claim were delivered.

If you choose to deliver the Notice and Proof of Claim yourself, you may obtain from the Claims Administrator (without cost to you) as many additional copies of these documents as you will need to complete the delivery, by submitting a request to:

Fairfield Greenwich Securities Litigation  
c/o Rust Consulting, Inc.  
P.O. Box 2874  
Faribault, MN 55021-8674  
(by regular or express mail)

Fairfield Greenwich Securities Litigation  
c/o Rust Consulting, Inc.  
201 Lyndale Ave. S.  
Faribault, MN 55021  
(by express delivery service)

[info@FairfieldGreenwichLitigation.com](mailto:info@FairfieldGreenwichLitigation.com)

[www.FairfieldGreenwichLitigation.com](http://www.FairfieldGreenwichLitigation.com)

Toll Free Number: 1-855-263-3450

Foreign Callers: 1-612-359-7949

Regardless of whether you choose to complete the delivery yourself or elect to have the delivery performed for you, you may obtain reimbursement for reasonable administrative costs actually incurred in connection with forwarding the Notice and Proof of Claim and which would not have been incurred but for the obligation to forward the Notice and Proof of Claim, upon submission of appropriate documentation to the Claims Administrator. The Claims Administrator has also maintained on its website pdf versions of this Notice and the Proof of Claim. Delivery to Beneficial Owners may be effected through electronic means.

### SUMMARY OF NOTICE

#### **Summary of the Proposed Partial Settlement**

- The Representative Plaintiffs and the Citco Defendants have entered into a proposed partial settlement releasing all claims that were asserted or could have been asserted by the Representative Plaintiffs in the Action, individually and on behalf of the Settlement Class, against the Citco Defendants and other Released Parties.
- According to Plaintiffs’ allegations in this Action, the Citco Defendants comprised the administrator and custodian of the Funds and the Funds’ assets. Plaintiffs alleged in their Second Consolidated Amended Complaint (“SCAC”) filed with the Court on September 29, 2009, that the Citco Defendants made misrepresentations to investors in connection with sales of interests in the Funds and in acting as administrators and custodians for the Funds and breached fiduciary duties and contracts relating to investments in the Funds. The District Court, in Orders dated July 29, 2010 and August 18, 2010 (728 F. Supp. 2d 354 and 728 F. Supp. 2d 372) sustained in part the claims asserted against the Citco Defendants in the Action. On August 6, 2012, the Court granted the Citco Defendants’ (and other Defendants’) renewed motion to dismiss all negligence-based claims asserted against them on behalf of initial investors in the Funds (2012 WL 3245478). Subsequently, Plaintiffs amended the SCAC to add allegations against the Citco Defendants, and on the basis of those amendments, the Court, on May 13, 2014, reinstated Plaintiffs’ negligence-based claims related to initial investments asserted against the Citco Defendants (Dkt. No. 1267). Copies of those opinions are available on the Claims Administrator’s website.
- Under the terms of the proposed partial Settlement, the aggregate amount of \$125,000,000 (one hundred twenty-five million dollars) will be paid into the Settlement Fund. These funds (less Court-approved attorneys’ fees and reimbursement of expenses) shall be paid to the Settlement Class pursuant to the Plan of Allocation.

- As further additional settlement consideration, subject to the conditions set forth in the Stipulation, the Citco Defendants have agreed to waive all rights to seek recovery on claims for contribution or indemnity that they hold or may hold against the Funds, the FG Defendants, GlobeOp, the PwC Defendants, or any party indemnified by the Funds for any expenses incurred or amounts paid in connection with the Action. Nothing in this provision precludes the Citco Defendants from arguing that the Settlement proceeds in this case are an offset against claims that may be made against them in other proceedings.
- This is a partial settlement only. Plaintiffs will continue to prosecute pending claims against the PwC Defendants (PricewaterhouseCoopers LLP [Canada] and PricewaterhouseCoopers Accountants Netherlands N.V.). The PwC Defendants were auditors of the Funds. In the July 29, 2010 and August 18, 2010 Orders, the District Court sustained certain claims against the PwC Defendants. The District Court subsequently denied in part two separate motions to reargue the August 18, 2010 Order (800 F. Supp. 2d 571 and 2012 WL 3245478). However, the Court, on the second motion to reargue, limited the claims against the PwC Defendants to subsequent investor and holder claims asserted by already existing investors in the Funds. Copies of these decisions are available on the Claims Administrator's website.
- On March 25, 2013, the Court entered an Order approving the settlement of Plaintiffs' claims against the FG Defendants (the "FG Settlement") for \$80,250,000 (\$30,000,000 of which continues to be held in escrow). That Order was affirmed on appeal. On November 22, 2013, the Court entered an Order approving the settlement of Plaintiffs' claims against GlobeOp Financial Services LLC (the "GlobeOp Settlement") for \$5,000,000. Proceeds from the FG Settlement and the GlobeOp Settlement have been distributed to eligible claimants.
- The Settlement provides for a court order barring the PwC Defendants and other similarly situated Persons from asserting claims for contribution, indemnification or other similar claims against the Released Parties. To compensate such Persons for the release of these claims against the Released Parties, any judgment that may be obtained by a Settlement Class Member against such Persons shall be reduced, to the extent permitted by applicable law, by the greater of (i) the amount that corresponds to the percentage of responsibility attributed to the Released Parties; and (ii) the gross monetary consideration provided to such Representative Plaintiff or other Settlement Class Member or Members pursuant to this Settlement.
- In addition to amounts that they have received under the FG Settlement and the GlobeOp Settlement and would receive under the Citco Settlement, Settlement Class Members also are likely to receive additional cash distributions from liquidation or bankruptcy proceedings involving the Funds (including based on distributions from the Bernard L. Madoff Investment Securities LLC ("BLMIS") Trustee). Liquidation proceedings involving Sentry, Sigma, and Lambda are pending in the British Virgin Islands (Claim No. 0074/2009 (Lambda), Claim No. 0136/2009 (Sentry), Claim No. 0139/2009 (Sigma)). Bankruptcy proceedings involving Greenwich Sentry and Greenwich Sentry Partners are pending in the U.S. Bankruptcy Court for the Southern District of New York (Case No. 10-16229 (BRL)). In addition, Settlement Class Members who filed Proofs of Claim should be entitled to additional distributions from the Madoff Victim Fund administered by Special Master Richard C. Breeden.
- Further, the FG Defendants have pledged security interests up to an additional \$30,000,000 to a separate Escrow Fund. To the extent funds remain in the Escrow Fund following the final resolution or disposition (including appeals) of certain other claims commenced against the FG Defendants by June 15, 2016, the balance in the Escrow Fund less any additional attorneys' fee award permitted by the Court shall be paid to the Settlement Class pursuant to the Plan of Allocation for the FG Settlement.

#### **Statement of Settlement Class Members' Recovery**

In connection with the FG Settlement, some 2,960 Settlement Class Members filed Claim Forms comprising \$3,265,638,105 of Net Losses. As stated herein, Settlement Class Members may elect to utilize the same Claim Form to participate in this Citco Settlement, as long as they sign the Release. Assuming that Settlement Class Members with Net Losses of \$3,265,638,105 file claims in this settlement, the proration, prior to payment of attorneys' fees or expenses, would be approximately 3.8%.

Any amounts received by Settlement Class Members from continued proceedings against the PwC Defendants, from the FG Settlement Escrow Fund, and from the liquidation and bankruptcy proceedings concerning the Funds, as well as distributions from the Madoff Victim Fund, would be in addition to the foregoing amounts from the Citco Settlement.

#### **Membership in the Settlement Class**

The Settlement Class consists of Beneficial Owners of shares or limited partnership interests in the Funds as of December 10, 2008 (whether as holders of record or traceable to a shareholder or limited partner account of record), who suffered a Net Loss of principal invested in the Funds. Plaintiffs' Lead Counsel, with the assistance of the Claims Administrator, will in the first instance determine, and make recommendations to the Court, as to the identity of investors who file claim forms who are appropriately Settlement Class Members. Determinations as to membership in the Settlement Class will be reviewable by the Court.

## Statement of Potential Outcome of Settled Claims

The Settlement must be compared to the risk of no recovery on the relevant claims after contested dispositive motions, trial and likely appeals. The claims being settled involve numerous complex legal and factual issues, many of which would require expert testimony. Among the many key issues about which Plaintiffs and the Citco Defendants do not agree are: (1) whether any of the Citco Defendants violated state or federal law or otherwise engaged in any wrongdoing; (2) whether any of the Citco Defendants acted negligently, recklessly, or with intent to defraud; (3) whether the misrepresentations and omissions alleged by Plaintiffs were material, false, misleading or otherwise actionable; (4) the extent to which Plaintiffs relied on the Citco Defendants' alleged misrepresentations and omissions; (5) whether any of the Citco Defendants owed Plaintiffs a fiduciary duty; (6) whether Plaintiffs' state law claims are preempted by the Securities Litigation Uniform Standards Act of 1998; (7) whether Plaintiffs have standing to pursue their state law claims, including whether Plaintiffs are third-party beneficiaries of contracts between the Citco Defendants and the Funds; (8) whether a litigation class can be certified (as opposed to a settlement class); (9) where the relevant transactions occurred and whether the Plaintiffs' federal securities law claims are barred by United States Supreme Court authority with respect to extraterritorial jurisdiction over foreign claims; and (10) the method for determining whether, and the extent to which, investors suffered injury and damages that could be recovered at trial. In addition, even if Plaintiffs were to obtain a judgment against the Citco Defendants that is affirmed on appeal, complex legal and factual issues may be presented by Plaintiffs' efforts to collect such a judgment from the Citco Defendants.

## Reasons for Settlement

Plaintiffs entered into the proposed partial settlement after over six years of litigation, when they were fully familiar with the facts and circumstances of the Action. Plaintiffs' Counsel reviewed more than nine million pages of documents produced by the Citco Defendants and other Defendants; and reviewed and produced to counsel for the Defendants more than 75,000 pages of documents on behalf of the Representative Plaintiffs and certain other Named Plaintiffs. Plaintiffs' Lead Counsel have conducted approximately 30 merits depositions of the Citco Defendants and approximately 48 merits depositions of former and current employees of the other Defendants in locations including New York, Miami, Toronto, Bermuda and Amsterdam, and 13 depositions of experts designated by the Citco and PwC Defendants. Eighteen individuals associated with the Representative Plaintiffs and other Named Plaintiffs (including each of the Representative Plaintiffs and other Plaintiffs named in the SCAC), were deposed in Arizona, Cleveland, and New York, some of whom traveled from international residences including Israel, Bahrain, and Belgium. In addition, all eight of Plaintiffs' liability and damages experts were deposed by the Citco and PwC Defendants.

Further information concerning Plaintiffs' litigation efforts is contained in the Stipulation of Settlement dated August 12, 2015, available on the Claim Administrator's website.

Beginning in August 2013, at the suggestion of the Court and with the assistance of retired U.S. District Judge Layn Phillips, a highly experienced mediator, Plaintiffs and the Citco Defendants engaged in extensive, arm's-length negotiations, including three separate full-day meetings conducted over a two year period. In this process, Judge Phillips made a mediator's proposal that was ultimately accepted by the parties.

All seven Representative Plaintiffs and all of Plaintiffs' Lead Counsel, who have extensive experience in securities and complex shareholder class-action litigation, believe that the Settlement provides the Settlement Class with significant and certain benefits now and eliminates the risk of no recovery following what would be years of further uncertain litigation, including final disposition of the class certification motion on the claims against the Citco Defendants, motions for summary judgment, and if summary judgment is not granted to Citco, a contested trial and likely appeals on the claims against the Citco Defendants, with the possibility of no recovery at all. In this connection, the Citco Defendants vigorously maintain that they did not know about wrongdoing at BLMIS until it was revealed to the public in December 2008, were entitled under written contracts and industry practice to rely on the accuracy of information provided by BLMIS in the absence of manifest error, relied on the activities of the FG Defendants in conducting due diligence of BLMIS, the PwC Defendants in auditing the Funds' financial statements, and the SEC in regulating BLMIS as an investment advisor, and were among many financial firms and regulators that were fooled by Madoff's complex and long-lasting Ponzi scheme. They also point to the efforts to conceal the fraud by Madoff and others who have pleaded guilty or been convicted of crimes, including creating false trade blotters, trade confirmations and account statements and DTC reports and aspects of Madoff's activities that were not typical of a Ponzi scheme, including refusing new investments and redeeming tens of billions of dollars to investors upon request over many years.

Plaintiffs, in proposing that the Court approve the \$125,000,000 partial settlement as fair, reasonable and adequate to the Settlement Class, have considered, among other factors, Plaintiffs' ability to prevail on the contested factual and legal issues summarized in the Statement of Potential Outcome of Settled Claims above. There is a significant risk that Plaintiffs' claims could be dismissed or limited prior to or at trial, or on appeal from a jury verdict. In addition, Plaintiffs' Lead Counsel considered that, by reducing the number of defendants and defense counsel in the litigation, and the factual and legal issues

in dispute, the Settlement may have a beneficial effect on Plaintiffs' ability to successfully litigate the remaining claims against the PwC Defendants, which may through settlement or judgment provide significant additional compensation to the Settlement Class.

Plaintiffs' Lead Counsel also considered the likely difficulty of obtaining a significantly larger recovery from the Citco Defendants in light of their continued payment of large legal fees and expenses, and the substantial potential difficulties in collecting on a judgment. Among other things, the Citco Defendants, as part of the settlement process, provided Plaintiffs' Lead Counsel with certain financial information. Plaintiffs' Lead Counsel further considered that even if a jury verdict were obtained against the Citco Defendants and upheld on appeal, collection of such a judgment could be complex and uncertain due to the need to enforce it in multiple foreign jurisdictions, the possible intervention of foreign banking regulators; and the risk that the Citco Defendants would be forced into bankruptcy, all of which could take years and result in collection of significantly less than the verdict amount. Plaintiffs' Lead Counsel determined, based on these matters and their assessment of other legal and factual risks of continuing the Action against the Citco Defendants and proving their claims at trial, some of which are discussed above, that the proposed settlement is in the best interests of the Settlement Class.

Plaintiffs will file with the Court on or before October 1, 2015 a formal motion for approval of the proposed Settlement further discussing the reasons justifying the settlement.

The Citco Defendants have denied and continue to deny each and all of the claims and contentions alleged in the SCAC and believe that they have meritorious defenses to those claims and contentions. The Settlement shall in no event be construed as, or deemed to be evidence of, an admission or concession by any of the Citco Defendants or Released Parties with respect to any claim of any fault or liability or wrongdoing or damage to the Representative Plaintiffs, the Settlement Class Members, or any Person.

#### **Statement of Attorneys' Fees and Expenses**

Plaintiffs' Lead Counsel will ask the Court to approve payment from the Settlement Fund of attorneys' fees of up to 30% of the Settlement Fund and for reimbursement of expenses that were advanced by Plaintiffs' Counsel through July 20, 2015 in connection with the litigation directly related to their representation of the Settlement Class not to exceed \$5,500,000.

If the above amounts are requested and approved by the Court, based upon current information, fees and expenses are estimated at approximately 34.4% of the Settlement Fund.

#### **Dismissal and Releases**

If the proposed Settlement is approved, the Court will enter a Final Judgment and Order of Dismissal with Prejudice (the "Final Judgment"). The Final Judgment will dismiss with prejudice the claims asserted in the Action against the Citco Defendants. The Final Judgment will also provide that all Settlement Class Members shall be deemed to have released and forever discharged all Released Claims against all Released Parties. The specific terms of the releases, including the meaning of the term "Released Claims," are set forth in the Stipulation. This release does not include any claims asserted or which may be asserted by the Funds, or the pending (though dismissed) derivative litigation brought in connection with the Funds; provided, however, that to the extent that any such claims have been or may be asserted, the Released Parties shall not be prevented from asserting any defenses or raising any argument as to liability or damages with respect to such claims or, with the exception of the claims for indemnity or contribution in connection with the Action, prevent the Released Parties from asserting any rights, remedies or claims against the Funds or in the pending (though dismissed) derivative litigation.

Unless you exclude yourself from the Settlement Class, you will be releasing claims you may have against the Released Parties. However, you will not be required to give up any claims you may have against any other individuals or entities (including the PwC Defendants) relating to your losses in the Funds.

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## BASIC INFORMATION

### 1. Why Did I Receive This Notice Package?

You or someone in your family may have purchased or acquired an investment in Fairfield Sentry Limited, Fairfield Sigma Limited, Fairfield Lambda Limited, Greenwich Sentry, L.P. or Greenwich Sentry Partners, L.P. (the “Funds”).

This Notice was sent because you have a right to know about a proposed partial settlement of a class action lawsuit concerning the Funds, and about all of your options, before the Court decides whether to approve the partial Settlement. If the Court approves the partial Settlement and after any objections or appeals are resolved, the Claims Administrator appointed by the Court will recommend that payments be made to those Settlement Class Members who timely submit valid claims in the manner described below. Persons who are not Settlement Class Members may have received this Notice. If you seek to obtain a distribution from the Settlement Fund (or the Escrow Fund) in this Action, it is your responsibility to demonstrate that you are a member of the Settlement Class.

This Notice explains the lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of the case is the United States District Court for the Southern District of New York, and the case is known as *Anwar, et al. v. Fairfield Greenwich Limited, et al.*, Civil Action No. 09 Civ. 118.

Certain of the entities and individuals who brought this action—Pacific West Health Medical Center Employees Retirement Trust, Harel Insurance Company Ltd., Martin and Shirley Bach Family Trust, Natalia Hatgis, Securities & Investment Company Bahrain, Dawson Bypass Trust, and St. Stephen’s School—are called Representative Plaintiffs.

The defendants settling this action are Citco Fund Services (Europe) B.V., Citco (Canada) Inc., Citco Bank Nederland N.V. Dublin Branch, Citco Global Custody N.V., Citco Fund Services (Bermuda Limited), The Citco Group Limited, Brian Francoeur, and Ian Pilgrim (the “Citco Defendants”). All claims against the Citco Defendants will be released if the Settlement is approved. The District Court has previously approved partial settlements with the FG Defendants for \$80 million (\$30 million of which continues to be held in escrow) and GlobeOp Financial Advisors, LLC (for \$5 million). Funds from these settlements have been distributed to investors. Documents concerning these settlements are on the Claim Administrator’s website.

Whether or not the Settlement is approved, Plaintiffs’ Counsel will continue to prosecute the Action against the PwC Defendants, consisting of PricewaterhouseCoopers LLP Canada and PricewaterhouseCoopers Accountants Netherlands N.V.

The Settling Parties are the Representative Plaintiffs and the Citco Defendants.

### 2. What Is This Lawsuit About?

This lawsuit alleges that the Citco Defendants engaged in deceptive conduct, made materially false and misleading statements and omissions, and breached their duties and contractual obligations with respect to the administration and custody of shares in, and assets of the Funds. The Citco Defendants deny the allegations.

### 3. Why Is This a Class Action?

In a class action, one or more people or entities called class representatives (in this case the Representative Plaintiffs) sue on behalf of people who have similar claims. Here, all these people are called a class or class members, and those included in this Settlement are called a Settlement Class or Settlement Class Members. One court resolves the issues for all class members, except for those who timely and validly excluded themselves from the class. United States District Judge Victor Marrero is in charge of this class action.

### 4. Why Is There a Partial Settlement?

The Court did not decide in favor of the Plaintiffs or the Citco Defendants. Instead, the Settling Parties agreed to a settlement. This permits them to avoid the cost and uncertainty of a trial, and permits eligible Settlement Class Members who submit valid claims to receive compensation. The Representative Plaintiffs and their attorneys believe the Settlement is in the best interests of all Settlement Class Members. The Citco Defendants have concluded that further defense of the Action would be protracted and expensive, and also have taken into account the uncertainty, risks and distractions inherent in any litigation, especially in a complex case such as the Action. The Settlement is “partial” because there is no settlement with the PwC Defendants, and Plaintiffs’ Counsel will continue to prosecute the Action against them.

## WHO IS IN THE SETTLEMENT

To see if you will receive money from this Settlement, you first have to determine if you are a Settlement Class Member.

## **5. How Do I Know if I Am Part of the Settlement?**

For purposes of the Settlement, the Court has provisionally approved the following definition of the Settlement Class:

All Persons who were Beneficial Owners of shares or limited partnership interests in the Funds as of December 10, 2008 (whether as holders of record or traceable to a shareholder or limited partner account of record), and who suffered a Net Loss of principal invested in the Funds.

## **6. What Are the Exceptions to Being Included?**

The Settlement Class excludes (i) those Persons who timely and validly request exclusion from the Settlement Class; (ii) Fairfield Sigma Limited, (iii) Fairfield Lambda Limited, (iv) any Person who has been dismissed from this Action with prejudice or is barred by prior judgment or settlement from asserting the claims against the Citco Defendants set forth in the SCAC; and (v) the Defendants (including the Citco Defendants, the FG Defendants, GlobeOp, and the PwC Defendants) and any entity in which the Defendants have a controlling interest, and the officers, directors, affiliates, legal representatives, attorneys, immediate family members (as defined in 17 C.F.R. 240.16a-1(e)), heirs, successors, subsidiaries and/or assigns of any such individual or entity in their capacity as such. Fairfield Sigma Limited and Sentry Lambda Limited were both investors in Fairfield Sentry Limited and are excluded from the definition of the Settlement Class because investors in those Funds are already included in the Settlement Class to the extent such investors sustained a Net Loss.

## **7. I'm Still Not Sure if I Am Included.**

If you are still not sure whether you are included, you can ask for free help. Settlement Class Members were required to submit claim forms in connection with the FG Settlement and GlobeOp Settlement. The Settlement classes in those settlements were defined in the same manner as the Settlement Class here, with the exception that the GlobeOp settlement class only included investors in the domestic funds (Greenwich Sentry, L.P., and Greenwich Sentry Partners, L.P.). If you completed a claim form in one or both of those settlements and received a distribution of those settlement funds, you are a member of the Citco Settlement Class and are entitled to share in the recovery from the Citco Settlement.

You can also request additional information from the persons identified in Question 25 below. Or you can fill out and return the claim form described in question 10, to see if you qualify.

### **THE SETTLEMENT BENEFITS—WHAT YOU GET**

## **8. What Does the Settlement Provide?**

The Citco Defendants have agreed to pay \$125,000,000 in cash into the Settlement Fund. The Settlement Fund, after payment of Court-approved attorneys' fees and expenses and the costs of claims administration, including the costs of printing and mailing this Notice and the cost of publishing notice (the "Net Settlement Fund"), will be divided among all eligible Settlement Class Members who send in valid claim forms pursuant to the Plan of Allocation described below.

## **9. How Much Will My Payment Be?**

Your share of the Net Settlement Fund will depend on the size of your Net Loss of principal in the Funds compared to the aggregate Net Loss of principal of all Settlement Class Members who submit valid claim forms.

You can calculate your Net Loss in accordance with the explanation below in the Plan of Allocation. After the deadline for submitting a Proof of Claim, the payment you receive will reflect your Net Loss in relation to the total Net Loss of all Settlement Class Members who submit valid Proofs of Claim. The Net Loss is not the amount of the payment that you can expect, but is used to determine how the Net Settlement Fund will be allocated among all Settlement Class Members who submit valid claims.

### **HOW YOU OBTAIN A PAYMENT—SUBMITTING A PROOF OF CLAIM**

## **10. How Will I Obtain a Payment?**

To qualify for payment, you must be an eligible Settlement Class Member, submit a valid Proof of Claim, and properly document your claim as described in the Proof of Claim. A Proof of Claim form is enclosed with this Notice. You may also get a Proof of Claim form on the internet at [www.fairfieldgreenwichlitigation.com](http://www.fairfieldgreenwichlitigation.com). Read the instructions carefully, fill out the Proof of Claim, include the documents the form asks for, sign it, and submit it so that it is received by the Claims Administrator no later than December 28, 2015. You are required to submit a Proof of Claim form in this Settlement even if you submitted a prior claim form in the FG Settlement or GlobeOp Settlement, although you are not required to submit documentation to support your claim if it was previously submitted and considered to be valid.

### **11. When Will I Receive My Payment?**

The Court will hold a hearing on November 20, 2015, to decide whether to approve the Settlement. If Judge Marrero approves the Settlement, there may be appeals. It is always uncertain how these appeals will be resolved, and resolving them can take time, perhaps more than a year. After any approval by Judge Marrero and any appeals are decided favorably, it will take several months for the Claims Administrator to process all of the Proof of Claim forms and to determine and pay the ultimate distribution amounts.

### **12. What Am I Giving Up to Receive a Payment?**

Unless you timely exclude yourself from the Settlement Class by the October 16, 2015 deadline, you are a member of the Settlement Class and will be bound by the release of claims against the Citco Defendants and the Released Parties. That means that you cannot sue, continue to sue, or be part of any other lawsuit against the Citco Defendants or the Released Parties about the Released Claims. The specific terms of the release are included in the Stipulation.

### **13. If I Stay in the Settlement Class, May I Still Recover Additional Amounts from Other Sources?**

Yes. If you participate in this class Settlement, then you will not be required to give up any claims you may have against any individuals or entities other than the Released Parties. Investors in the Funds may recover on claims against the PwC Defendants, against whom Plaintiffs' Counsel are continuing to pursue in this litigation. The Court has limited the claims against the PwC Defendants to subsequent investor and holder claims asserted by already existing investors in the Funds. Investors in the Funds also are likely to receive distributions from the liquidation or bankruptcy proceedings overseen by the respective liquidators or trustees of the Funds, and from the Madoff Victim Fund.

## **THE LAWYERS REPRESENTING YOU**

### **14. Do I Have a Lawyer in This Case?**

The law firms of Boies, Schiller & Flexner LLP, Wolf Popper LLP, and Lovell Stewart Halebian Jacobson LLP brought the Action on behalf of Representative Plaintiffs and they represent you and all other Settlement Class Members. These lawyers are called Plaintiffs' Lead Counsel. You will not be charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

### **15. How Will the Lawyers Be Paid?**

Plaintiffs' Counsel will ask the Court for attorneys' fees up to 30% of the \$125,000,000 Settlement Fund, and for expenses that were advanced through July 20, 2015 by Plaintiffs' Counsel in connection with the litigation, not to exceed \$5,500,000. These expenses that were advanced by Lead Counsel are in addition to the costs previously awarded by the Court with respect to the FG and GlobeOp Settlements. Such sums as may be approved by the Court will be paid from the Settlement Fund. Plaintiffs' Counsel may seek additional attorneys' fees at a later date based on any other recoveries. Settlement Class Members are not personally liable for any such fees or expenses.

The attorneys' fees and expenses requested represent payment to Plaintiffs' Lead Counsel and other such counsel involved in the Action on behalf of the Plaintiffs (collectively "Plaintiffs' Counsel") for their efforts in achieving this Settlement and for their risk in undertaking this representation on a wholly contingent basis. Since the case began in 2008, Plaintiffs' Counsel has undertaken extensive work necessary to prepare the case for trial. Plaintiffs' Counsel has conducted all of the investigation, drafted the SCAC, reviewed millions of documents, taken and defended dozens of depositions, employed experts, performed an enormous amount of legal research and filed many legal briefs on novel and complex issues, including opposing dismissal of the claims, supporting class certification and arguing discovery issues. Plaintiffs' Counsel have expended through July 20, 2015 in excess of 107,000 hours of attorney and paralegal time. Plaintiffs' counsel were previously awarded fees of \$12,562,500 and \$1,250,000 and expenses of \$1,279,242 and \$19,825 in connection with the FG and GlobeOp Settlements, respectively. A 30% fee award, combined with the fees previously awarded by the Court, would amount to less than 70% of Plaintiffs' Counsel's combined lodestar through July 20, 2015 at current rates.

Plaintiffs' Lead Counsel shall file a motion with the Court for approval of the Settlement, the Plan of Allocation, and the request for attorneys' fees and reimbursement of expenses by October 1, 2015. Copies of that motion will be posted on the Claim Administrator's website. The Citco Defendants take no position with respect to the request for attorneys' fees and reimbursement of expenses. The Court determines the amount counsel should receive from the Settlement Fund for fees and expenses separately from its determination of whether the Settlement is fair, reasonable and adequate, and may award less than the amount Plaintiffs' Lead Counsel has requested.

## EXCLUDING YOURSELF FROM THE SETTLEMENT

### 16. How Do I Exclude Myself From the Settlement?

If you want to retain the right to sue or to continue to sue the Released Parties on your own about the claims being released in this Settlement, then you must take steps to exclude yourself from the Settlement. This is referred to as opting out of the Settlement Class, and persons who do so are referred to as “Opt-Outs”.

Excluding yourself is not the same as doing nothing in response to this Notice. Each member of the Settlement Class shall be bound by all determinations and judgments in the Action concerning the Settlement, whether favorable or unfavorable, unless such a Person delivers to the Claims Administrator a written request for exclusion from the Settlement Class, so that it is received by the Claims Administrator no later than October 16, 2015 addressed to:

|   |   |
|---|---|
| Fairfield Greenwich Securities Litigation<br>c/o Rust Consulting, Inc.<br>P.O. Box 2874<br>Faribault, MN 55021-8674<br>(by regular or express mail) | Fairfield Greenwich Securities Litigation<br>c/o Rust Consulting, Inc.<br>201 Lyndale Ave. S.<br>Faribault, MN 55021<br>(by express delivery service) |
|---|---|

No Person may exclude himself, herself or itself from the Settlement Class after October 16, 2015. In order to be valid, each request for exclusion by a Person seeking to opt-out must state the name, address, email address and telephone number of the Person seeking exclusion; state that the Person “requests exclusion from the Settlement Class in *Anwar, et al. v. Fairfield Greenwich Limited, et al.*, Case No. 09-cv-118,” and state (i) the full name of the Fund(s) purchased, (ii) the number and dollar amount of shares or limited partnership interests purchased, and redeemed if applicable, (iii) the dates and amounts of each purchase and any redemption transactions, any other recoveries received by the Person on the Person’s investment in the Fund(s), and (iv) the number of shares or limited partnership interests held by the Person in the Fund(s) as of December 10, 2008. Each Person seeking to opt-out also must supply documentary proof of each purchase and redemption transaction and of the Person’s membership in the Settlement Class. Any such request for exclusion must be signed by the Person requesting exclusion.

Even if you opted-out of the FG Settlement or the GlobeOp Settlement, you need to separately opt-out of this Citco Settlement.

Requests for exclusion shall not be effective unless the request includes the required information and documentation and is made within the time period stated above, or the exclusion is otherwise accepted by the Court. Only Beneficial Owners may file a request for exclusion with respect to each share or limited partnership interest in the Funds. Where the record owner of shares or limited partnership interests is a nominee, custodian, or other Person acting in a materially similar fashion on behalf of one or more Beneficial Owners, that nominee, custodian or other Person is not a Beneficial Owner and may not file a request for exclusion on behalf of any such Beneficial Owners.

If you ask to be excluded, you will not receive any payment from this Settlement, and you cannot object to the Settlement. You will not be legally bound by anything that happens in the Action with respect to Released Claims and may be able to sue (or continue to sue) the Released Parties in the future. Even if you ask to be excluded from the Settlement Class, you will be entitled to participate in the continuing litigation against the PwC Defendants. In the event a class is certified and notice mailed as to the claims asserted against the PwC Defendants, you will be given a subsequent opportunity to request exclusion from that class.

Any Settlement Class Member who submits a Request for Exclusion shall not be deemed to have submitted to the jurisdiction of any Court in the United States for any matter on account of such submission, and any Settlement Class Member who submits a Proof of Claim thereby submits to the jurisdiction of this Court with respect only to the subject matter of such Proof of Claim and all determinations made by this Court thereon and shall not be deemed to have submitted to the jurisdiction of this Court or of any court in the United States for any other matter on account of such submission.

Except where a Settlement Class Member who submits a Request for Exclusion commences or otherwise prosecutes or pursues a Released Claim against a Released Party, all information submitted by a Settlement Class Member in a Request for Exclusion or a Proof of Claim shall be treated as confidential protected information and may not be disclosed by the Claims Administrator, its affiliates or the Settling Parties to any third party absent a further order of this Court upon a showing of necessity, and any such information that is submitted to the Court shall be filed under seal.

If the aggregate Net Loss of Opt-Outs exceeds the threshold specified in a separate “Supplemental Agreement” between the Settling Parties, then the Citco Defendants shall have, in their sole and absolute discretion, the option to terminate this Settlement and to render it null and void in accordance with the procedures set forth in the Supplemental Agreement.

**17. If I Do Not Exclude Myself From the Settlement, Can I Sue the Released Parties For the Same Thing Later?**

No. Unless you exclude yourself, you give up any rights to bring a lawsuit or claim in any forum asserting any of the Released Claims against the Released Parties. If you have a pending lawsuit or claim in any forum that you believe concerns the Released Claims or the same matters alleged in this Action, speak to your lawyer immediately. You will likely have to exclude yourself from the Settlement Class if you wish to continue your own lawsuit or claim. Remember, the exclusion deadline is October 16, 2015.

**18. If I Exclude Myself, Can I Get Money From This Settlement?**

No. You will however, retain any right you may have to bring a lawsuit, to continue to pursue an existing lawsuit, or to be part of a different lawsuit asserting a Released Claim against a Released Party.

**OBJECTING TO THE SETTLEMENT**

**19. How do I Tell the Court that I Do Not Like the Settlement or the Request for Attorneys’ Fees and Reimbursement of Expenses?**

If you are a Settlement Class Member, you can object to the Settlement if you do not like any part of it, including the Plan of Allocation and the request for attorneys’ fees or expenses. You can state the reasons why you think the Court should not approve it, and the Court will consider your views. To object, you must submit a letter saying that you object to the Settlement in *Anwar, et al. v. Fairfield Greenwich Limited, et al.*, Case No. 09-cv-118. Be sure to include your name, address, telephone number, your signature, the full name of the Fund(s) purchased, the dates and number and dollar amounts of shares or limited partnership interests purchased, and redeemed if applicable, and other recoveries you have received on your investment in the Fund(s), and to supply documentary proof of the purchase or any redemption transactions and of your membership in the Settlement Class, and the reasons you object. Any objection letter must be delivered such that it is received by *each* of the following no later than October 16, 2015:

|   |   |  |
|---|---|--|
| <i>Court:</i><br>Clerk of the Court<br>UNITED STATES DISTRICT COURT<br>SOUTHERN DISTRICT OF NEW YORK<br>United States Courthouse<br>500 Pearl Street<br>New York, NY 10007-1312 | <i>Plaintiffs’ Counsel Designee:</i><br>Robert C. Finkel, Esq.<br>Wolf Popper LLP<br>845 Third Avenue<br>New York, NY 10022 | <i>Citco Defendants’ Counsel Designee:</i><br>Andrew G. Gordon, Esq.<br>Paul, Weiss, Rifkind, Wharton &<br>Garrison LLP<br>1285 Avenue of the Americas<br>New York, NY 10019 |
|---|---|--|

**20. What is the Difference between Objecting and Requesting Exclusion?**

Objecting is simply telling the Court that you do not like something about the proposed Settlement. Objecting does not prevent you from participating and recovering money in the Settlement. However, you can object only if you stay in the Settlement Class. Excluding yourself is telling the Court that you do not want to be part of the Settlement Class. If you exclude yourself, you have no basis to object because the Settlement no longer affects you.

**THE COURT’S SETTLEMENT HEARING**

The Court will hold a hearing to decide whether to approve the Settlement. You may attend and you may ask to speak, but you do not have to.

**21. When and Where Will the Court Decide Whether to Approve the Settlement?**

The Court will hold a Settlement Hearing at 11:00 a.m., on November 20, 2015 at the Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, NY 10007-1312, Courtroom 20B. At this hearing the Court will consider whether the settlement is fair, reasonable and adequate. If there are objections, the Court will consider them. The Court will also consider the application by Plaintiffs’ Lead Counsel for fees and expenses and whether the Plan of Allocation is fair, reasonable and adequate. The Court may decide these issues at the hearing or take them under consideration for a later decision.

**22. Do I Have to Come to the Hearing?**

No. Plaintiffs’ Lead Counsel will answer questions Judge Marrero may have. But, you are welcome to come at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you submitted your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary.

### 23. May I Speak at the Hearing?

You may ask the Court for permission to speak at the Settlement Hearing. To do so, you must submit a letter saying that it is your intention to appear in *Anwar, et al. v. Fairfield Greenwich Limited*, Case No. 09-cv-118. Be sure to include your name, address, telephone number, your signature, the full name of the Fund(s) purchased, the number and dollar amount of shares or limited partnership interests purchased, and redeemed if applicable, to supply documentary proof of the purchase and any redemption transactions and of your membership in the Settlement Class, and other recoveries you have received on your investment in the Fund(s), and the reasons you want to speak at the hearing. Your notice of intention to appear must be received no later than October 16, 2015, by the Clerk of the Court, Lead Counsel Designee and Citco Defendants' Counsel Designee, at the three addresses listed in question 19.

### IF YOU DO NOTHING

### 24. What Happens If I Do Nothing at All?

If you do nothing, all of your claims against the Released Parties will be released, but you will not receive any money from this Settlement, because in order to receive money it is necessary to submit a valid Proof of Claim.

### GETTING MORE INFORMATION

### 25. Are There More Details About the Settlement?

This Notice summarizes the proposed Settlement. More details are in the Stipulation of Settlement dated August 12, 2015. You can obtain a copy of the Stipulation of Settlement or more information about the Settlement by contacting the Claims Administrator.

Fairfield Greenwich Securities Litigation  
c/o Rust Consulting, Inc.  
P.O. Box 2874  
Faribault, MN 55021-8674  
(by regular or express mail)

Fairfield Greenwich Securities Litigation  
c/o Rust Consulting, Inc.  
201 Lyndale Ave. S.  
Faribault, MN 55021  
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or by visiting [www.fairfieldgreenwichlitigation.com](http://www.fairfieldgreenwichlitigation.com).

You can also obtain a copy from the Clerk's office during regular business hours:

Clerk of the Court  
UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK  
Daniel Patrick Moynihan  
United States Courthouse  
500 Pearl Street  
New York, NY 10007-1312

**PLEASE DO NOT CONTACT THE COURT REGARDING THIS NOTICE**

## PLAN OF ALLOCATION OF NET SETTLEMENT FUND AMONG CLASS MEMBERS

The Net Settlement Fund shall be distributed to Settlement Class Members who submit a valid Proof of Claim (“Authorized Claimants”) according to the terms below. The purpose of this Plan of Allocation of the Net Settlement Fund (“Plan of Allocation” or “Plan”) is to establish a reasonable and equitable method of distributing the Net Settlement Fund among Authorized Claimants. The Plan is not intended to replicate an assessment of damages that could have been recovered had the Representative Plaintiffs prevailed at trial.

Because the Net Settlement Fund is less than the total losses alleged to have been suffered by Settlement Class Members, the formulas described below for calculating Net Losses are not intended to estimate the amount that will actually be paid to Authorized Claimants. Rather, these formulas provide the basis on which the Net Settlement Fund will be distributed among Authorized Claimants.

Approval of the Settlement is independent from approval of the Plan of Allocation. Any determination with respect to the Plan of Allocation will not affect the Settlement, if approved. The Plan of Allocation set forth herein is the plan that is being proposed by Representative Plaintiffs and Plaintiffs’ Lead Counsel to the Court for approval. The Citco Defendants take no position with respect to the Plan of Allocation. The Court may approve this plan as proposed or it may modify the Plan of Allocation without further notice to the Settlement Class. Any orders regarding a modification of the Plan of Allocation will be posted on the Settlement website, [www.fairfieldgreenwichlitigation.com](http://www.fairfieldgreenwichlitigation.com).

Payment pursuant to the Plan of Allocation approved by the Court shall be final and conclusive against all Settlement Class Members. No person shall have any claim of any kind against the Citco Defendants or their counsel with respect to the administration of the Settlement, including the Plan of Allocation. No person shall have any claim against Representative Plaintiffs, Plaintiffs’ Counsel, or the Claims Administrator or other agent designated by Plaintiffs’ Counsel arising from distributions made substantially in accordance with the Stipulation, the Plan of Allocation, or further orders of the Court. Representative Plaintiffs, the Citco Defendants, their respective counsel, and all other Released Parties shall have no responsibility or liability whatsoever for the investment or distribution of the Settlement Fund consistent with the terms of the Stipulation, the Plan of Allocation, or the determination, administration, calculation, or payment of any Proof of Claim or nonperformance of the Claims Administrator, the payment or withholding of taxes owed by the Settlement Fund, or any losses incurred in connection therewith.

Distributions will be made to Authorized Claimants after all claims have been processed and after the Court has finally approved the Settlement (including the resolution of any appeals) pursuant to the following terms:

- a. The Net Loss for each Authorized Claimant will be the Net Loss of principal with respect to each Fund. Net Loss means the total cash investment made by a Beneficial Owner in a Fund, directly or indirectly through one or more intermediaries, less the total amount of any redemptions or withdrawals or recoveries by that Beneficial Owner from or with respect to the same Fund. A Settlement Class Member may have a Net Loss on more than one Fund. Any transactions in foreign securities will be converted to a Net Loss in U.S. dollars at the exchange rate in effect as of the date of the Final Hearing.
- b. For the avoidance of doubt, where a fund, trust, or similar investment vehicle was a registered shareholder or limited partner of record or otherwise invested in a Fund, the fund, trust or similar investment vehicle is the Beneficial Owner for purposes of this Stipulation, not the underlying investors in the fund or similar investment vehicle. Only one Proof of Claim or request for exclusion can be submitted with respect to each share or limited partnership interest in the Funds.
- c. Only those Authorized Claimants who suffered a Net Loss of principal with respect to a Fund are entitled to a payment from the Net Settlement Fund with respect to that Fund.
- d. Please note that the term “Net Loss” is used solely for calculating the amount of participation by Authorized Claimants in the Net Settlement Fund. It is not the actual amount an Authorized Claimant can expect to recover.
- e. The Claims Administrator will determine each Authorized Claimant’s share of the Net Settlement Fund. Each Authorized Claimant will receive a disbursement determined by multiplying the Net Settlement Fund by a fraction, the numerator of which is the Authorized Claimant’s Net Loss and the denominator of which is the sum total of all Authorized Claimants’ Net Losses with respect to all of the Funds.
- f. If there is any balance remaining in the Net Settlement Fund (whether by reason of unclaimed funds, tax refunds, uncashed checks, or otherwise), at a date one hundred eighty (180) days from the later of (a) the date on which the Court enters an order directing the Net Settlement Fund to be distributed to Authorized Claimants, or (b) the date the Settlement is final and becomes fully effective, then Plaintiffs’ Counsel shall, upon approval of the Court, disburse such balance among Authorized Claimants as many times as is necessary, in a manner consistent with this Plan of Allocation, until each Authorized Claimant has received its Net Loss (but no greater than its Net Loss) as defined in this Plan. If

Plaintiffs' Lead Counsel determines that it is not cost-effective to conduct such further disbursement, or following such further disbursement any balance still remains in the Net Settlement Fund, Plaintiffs' Counsel shall, upon approval of the Court, and without further notice to Settlement Class Members, cause the remaining balance to be disbursed *cy pres*. Plaintiffs' Lead Counsel shall also consider the potential for additional distributions to be made from the Escrow Fund or other settlements or judgments in proposing supplemental distributions from the Net Settlement Fund.

DATED: AUGUST 27, 2015

BY ORDER OF THE COURT  
UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK