

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

SECURITIES INVESTOR PROTECTION
CORPORATION,

Plaintiff,

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 Bernard L. Madoff,

Plaintiff,

v.

FRANK J. AVELLINO, *et al.*,

Defendants.

Adv. Pro. No. 10-05421 (LGB)

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

Plaintiff Irving H. Picard (the "Trustee"), as Trustee for the liquidation of Bernard L. Madoff Investment Securities LLC under the Securities Investor Protection Act, 15 U.S.C. §§ 78aaa–111, and the substantively consolidated chapter 7 estate of Bernard L. Madoff, and

Defendants¹ (Defendants, with the Trustee, the “Parties”) hereby stipulate and agree to the following (the “Stipulation”):

1. On December 10, 2010, the Trustee commenced this adversary proceeding by filing a Complaint (ECF No. 1).

2. On November 24, 2014, the Trustee filed his Amended Complaint² against Defendants and other defendants (collectively, the “Avellino and Bienes Defendants”) (ECF No. 86).

3. On January 28, 2015, the Avellino and Bienes Defendants, including Defendants, filed a motion to dismiss the Amended Complaint (the “Motion to Dismiss”) (ECF No. 88).

4. On August 5, 2016, the Court issued an Order granting in part and denying in part the Avellino and Bienes Defendants’ Motion to Dismiss (ECF No. 117).

5. On November 2, 2016, Defendants filed Answers to the Amended Complaint (ECF Nos. 137, 141, 142, 143).

6. On August 23, 2022, the Court entered its Order granting the Trustee’s motion for partial summary judgment (ECF No. 279).

7. On January 14, 2025, the Parties entered into a Settlement Agreement and Release (“Settlement Agreement”) (ECF No. 350-2).

¹ Defendants include: Frank Avellino; Nancy Avellino; Grosvenor Partners Ltd.; Mayfair Ventures, G.P; Aster Associates; Strattham Partners; Kenn Jordan Associates; Ascent, Inc.; Mayfair Bookkeeping Services, Inc.; Avellino & Bienes; Avellino Family Trust; Avellino & Bienes Pension Plan & Trust; Frank J. Avellino Revocable Trust Number One as amended and restated January 26, 1990, as amended; Frank J. Avellino Grantor Retained Annuity Trust under Agreement dated June 24, 1992; Frank J. Avellino Grantor Retained Annuity Trust Agreement Number 2 under Agreement dated June 24, 1992; Frank J. Avellino Revocable Trust Number One under the Declarations of Trust Number One dated June 10, 1988, as amended; Nancy Carroll Avellino Revocable Trust under the Trust Agreement dated May 18, 1992; 27 Cliff, LLC; the Avellino Family Foundation, Inc.; Heather Carroll Lowles Trust U/A dated June 29, 1990; Tiffany Joy Lowles Trust U/A dated June 29, 1990; Melanie Ann Lowles Trust U/A dated June 29, 1990; Taylor Ashley McEvoy Trust U/A dated June 24, 1992; Madison Alyssa McEvoy Trust U/A dated June 29, 1990; and S.A. Grantor Retained Annuity Trust.

² Capitalized terms herein not otherwise defined shall have the meaning ascribed in the Settlement Agreement and Release referenced *infra*.

8. On January 31, 2025, the Court entered an Order pursuant to Section 105(a) of the U.S. Bankruptcy Code and Rules 2002 and 9019 of the Federal Rules of Bankruptcy Procedure approving the Settlement Agreement (ECF No. 354).

9. Pursuant to the terms of the Settlement Agreement, and in accordance with Federal Rule of Bankruptcy Procedure 7041 and Federal Rule of Civil Procedure 41(a)(1), the Parties hereby stipulate to dismiss the Trustee's claims against Defendants and Defendants' counterclaims in the above-captioned adversary proceeding, to resolve all Defendants' Customer Claims against the BLMIS estate, and to dismiss the Adversary Proceeding against Defendants without prejudice and without costs to any Party, subject to the Trustee having the right to re-open the Adversary Proceeding or, alternatively at his discretion, pursue other remedies available to him (including, but not limited to, an action for breach of the Settlement Agreement) in the event of an uncured breach of the Settlement Agreement.

10. 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 of interest.

11. 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.

12. The Bankruptcy Court shall retain jurisdiction over this Stipulation.

Date: February 24, 2025
New York, New York

/s/ Esterina Giuliani

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

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Attorney for Defendants

SO ORDERED.

**DATED: February 25, 2025
NEW YORK, NEW YORK**

/s/ Lisa G. Beckerman

**HONORABLE LISA G. BECKERMAN
UNITED STATES BANKRUPTCY JUDGE**