

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

<p>SECURITIES INVESTOR PROTECTION CORPORATION,</p> <p style="text-align: right;">Plaintiff-Applicant,</p> <p>v.</p> <p>BERNARD L. MADOFF INVESTMENT SECURITIES LLC,</p> <p style="text-align: right;">Defendant.</p>	<p>Adv. Pro. No. 08-01789 (LGB)</p> <p>SIPA LIQUIDATION</p> <p>(Substantively Consolidated)</p>
<p>In re:</p> <p>BERNARD L. MADOFF,</p> <p style="text-align: right;">Debtor.</p>	
<p>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,</p> <p style="text-align: right;">Plaintiff,</p> <p>v.</p> <p>MARTIN SAGE and SYBIL SAGE,</p> <p style="text-align: right;">Defendants.</p>	<p>Adv. Pro. No. 23-01098 (LGB)</p>

**SECOND AMENDED CASE MANAGEMENT ORDER**

Plaintiff Irving H. Picard, as trustee (the “Trustee”) for the substantively consolidated liquidation of Bernard L. Madoff Investment Securities LLC under the Securities Investor Protection Act, 15 U.S.C. §§ 78aaa–iii, and the chapter 7 estate of Bernard L. Madoff individually, and defendants Martin Sage and Sybil Sage (“Defendants,” and together with the Trustee, the “Parties,” and each individually, a “Party”), by and through their respective undersigned counsel,

hereby submit the following Amended Case Management Order pursuant to Rules 16 and 26 of the Federal Rules of Civil Procedure (the “Federal Rules”), applicable under Rules 7016 and 7026 of the Federal Rules of Bankruptcy Procedure.

1. Relevant Procedural History. On April 19, 2023, the Trustee commenced the above-captioned adversary proceeding before this Court by filing a complaint against Defendants. *Picard v. Martin Sage*, Adv. Pro. No. 23-01098 (Bankr. S.D.N.Y. Apr. 19, 2023), ECF No. 1. On November 3, 2023, Defendants answered the Trustee’s complaint. *Id.*, ECF No. 34.

2. Stipulation to the Filing of Amended Answer. On December 11, 2024, the Court held a discovery conference (the “Discovery Conference”) with the Parties during which Defendants advised the Court of their intention to seek leave to file an Amended Answer. *Id.*, ECF No. 49, 54. The Parties subsequently met and conferred on Defendants’ desire to file an Amended Answer. The Trustee hereby stipulates, pursuant to Federal Rule 15(a)(2), to Defendants’ filing of an Amended Answer, but reserves all rights, including, but not limited to, refuting any position taken by Defendants that the Amended Answer moots or will moot discovery which the Trustee has sought or may seek from Defendants to which Defendant have objected or may object. Defendants shall, within five (5) business days of the entry of this Amended Case Management Order by the Court, file an Amended Answer.

3. Briefing Schedule on Trustee’s Motion to Compel. During the Discovery Conference, the Court additionally addressed the Parties’ dispute over discovery that the Trustee seeks from Defendants relating to their receipt and use of certain refunds received from federal and state tax authorities for the calendar years 2006 and 2007, and the Court advised the Parties that they would have to submit briefing in connection with their dispute. The Parties hereby agree to the following briefing schedule relating to this dispute: (i) the Trustee shall file his motion on

or before April 11, 2025; (ii) Defendants shall file any opposition on or before May 9, 2025; (iii) the Trustee shall file his reply brief on or before May 23, 2025; and (iv) the Court shall hear the motion on May 28, 2025, which is the date of the BLMIS Omnibus Hearing in May 2025.

4. Fact Discovery Plan

a. Subjects on Which Discovery May Be Needed. The Parties contemplate that fact discovery will be needed on their respective claims and defenses.

b. Fact Discovery Cut-Off. Unless otherwise agreed to by the Parties or ordered by the Court, all fact discovery is to be completed by September 30, 2025 (the “Fact Discovery Cut-Off Date”).

c. Initial Disclosures. The Parties have served initial disclosures.

d. Document Requests. The Parties may serve requests for documents on or before 45 days before the Fact Discovery Cut-Off Date.

e. Interrogatories. The Parties may serve Interrogatories in accordance with the rules and limitations articulated in Local Bankruptcy Rule 7033-1.

f. Requests for Admission. The Parties may serve Requests for Admission on or before 45 days before the Fact Discovery Cut-Off Date.

g. Limitations on Discovery. Limitations on written discovery will be governed by the Federal Rules made applicable to this adversary proceeding by the Federal Rules of Bankruptcy Procedure and the Local Bankruptcy Rules. The Parties may agree on certain limitations on discovery or may file an application with the Court for good cause.

h. Inadvertent Production of Privileged Materials. The Parties acknowledge that the inadvertent production of privileged or work product protected documents is not a waiver of the privilege or protection from discovery in this case or in any other federal or state proceeding.

This Order shall be interpreted to provide the maximum protection allowed by Federal Rule of Evidence 502(d). Nothing contained in this paragraph is intended to or shall serve to limit a Party's right to conduct a review of documents, including electronically stored information, for relevance, responsiveness, and/or privileged and/or protected status.

i. Depositions. All depositions of fact witnesses must be completed by the Fact Discovery Cut-Off Date. Depositions shall proceed concurrently, with no Party having priority. The Parties shall coordinate the scheduling of the taking of all depositions of fact witnesses including, but not limited, to Malcolm Sage. The deposition of Irving H. Picard himself is prohibited absent an order issued by this Court upon a showing of good cause.

5. Expert Discovery Plan.

a. Subjects on Which Discovery May Be Needed. The Parties contemplate that expert disclosures and discovery may be needed on their respective claims and defenses.

b. Expert Discovery Cut-Off. Any and all expert discovery is to be completed by February 27, 2026 (the "Expert Discovery Cut-Off Date").

c. Expert Disclosures. Each Party, who intends to offer expert testimony on any issue on which that Party bears the burden of proof, must make expert disclosures required by Federal Rule 26(a)(2) on or before December 5, 2025. Each Party, which intends to offer expert testimony either (i) to rebut any expert disclosure made by any opposing Party and/or (ii) on any issue on which that Party does not bear the burden of proof, must make the expert disclosures required by Federal Rule 26(a)(2) on or before January 9, 2026.

d. Additional Expert Testimony. No expert testimony (whether designated as "rebuttal" or otherwise) will be permitted (i) by an expert that has not been disclosed in accordance with the Paragraph 5(c) or (ii) on any issue that is beyond the scope of the opinion covered by the

disclosures made in accordance with Paragraph 5(c) except on prior express permission of the Court, upon application made no later than January 19, 2026.

e. Deposition of Expert Witnesses. All expert witnesses may be deposed, but all such depositions, except as to any additional expert opinions allowed pursuant to Paragraph 5(d), must occur on or before Expert Discovery Cut-Off Date but not later than 30 days after service of the last of the expert reports, if any, pursuant to Paragraph 5(c). The deadline for expert depositions will not affect the Parties' duties to supplement expert disclosures as required by Federal Rule 26. All depositions of expert witnesses proffered by the Trustee shall occur at the offices of Baker & Hostetler LLP, 45 Rockefeller Plaza, New York, NY 10111, or such other location agreed upon by the Parties.

6. Manner of Production of Discovery Materials. The Parties may produce discovery on a CD-ROM, flash drive, portable hard drive, in an electronic data room, secure or encrypted file transfer, or other similar electronic format. Given the age and condition of some of the anticipated discovery, the Parties agree to meet and confer for the purpose of agreeing on an appropriate protocol for production so as to avoid unnecessary burdens and costs of production and review. The Parties shall meet and confer first in a good faith attempt to resolve any dispute, or thereafter comply with Local Bankruptcy Rule 7007-1 to resolve the dispute.

7. Confidentiality. The Litigation Protective Order (Doc. No. 4137) entered on June 6, 2011 in Adv. Pro. No. 08-01789 shall govern the disclosure of confidential information in this proceeding, except to the extent that the same has been modified by subsequent orders of the Court.

8. Discovery Arbitrator. The Parties may agree to the use of Frank Maas, Esq. or other agreed upon individual as Discovery Arbitrator to resolve discovery disputes that they are unable to resolve by meeting and conferring, as referenced in the Order Appointing a Discovery

Arbitrator Pursuant to Bankruptcy Rule 9019(c) and General Order M-390 (Doc. No. 14227) entered on October 4, 2016 in Adv. Pro. No. 08-01789. In the event that any discovery dispute before a discovery arbitrator or the Court is still outstanding as of the Fact Discovery Cut-Off Date, the Parties agree that the Fact Discovery Cut-Off Date shall be extended to expire thirty (30) days after the issuance of a final order on that discovery issue.

9. Summary Judgment. Sybil Sage may make a motion for summary judgment on or before October 31, 2025 but the Trustee reserved all rights with respect to any such motion. To the extent any other party wishes to make a summary judgment motion, that party may file any such motion 30 days following the conclusion of expert discovery.

10. Trial. The Parties propose that they will confer with each other and the Court at the conclusion of all discovery to schedule a final pretrial conference and trial date.

*[Signatures on following page]*

Date: March 11, 2025  
New York, New York

**BAKER & HOSTETLER LLP**

By: /s/ James H. Rollinson  
45 Rockefeller Plaza  
New York, New York 10111  
Telephone: 212.589.4200  
David J. Sheehan  
Email: dsheehan@bakerlaw.com  
Lan Hoang  
Email: lhoang@bakerlaw.com

127 Public Square  
Cleveland, Ohio 44114  
Telephone: 216.861.7075  
James H. Rollinson  
Email: jrollinson@bakerlaw.com

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

**R|K INVEST LAW, PBC**

By: /s/ Richard A. Kirby  
1725 I Street, N.W., Suite 300  
Washington, D.C. 20006  
Telephone: 202.236.2854  
Richard A. Kirby  
Email: kirby@investlaw.net  
Beth-ann Roth  
Email: roth@investlaw.net

*Attorneys for Defendants Martin Sage and  
Sybil Sage*

**SO ORDERED.**

**Dated: March 12, 2025**  
**New York, New York**

/s/ Lisa G. Beckerman  
**Honorable Lisa G. Beckerman**  
**United States Bankruptcy Judge**