

## SETTLEMENT TERMS TO BE READ INTO THE RECORD

This will reflect the settlement agreement among Claimants, the Epstein Parties (Epstein, Jeepers and FTC), the Zwirn Parties (Daniel Zwirn and all of the other Third Party Respondents) and Glenn Dubin (collectively, the "Parties") with respect to the resolution of this proceeding.

1. This proceeding, and all claims, counterclaims and third-party claims in it shall be dismissed with prejudice, with each Party to bear its own costs and attorney's fees, except to the extent Claimants have any indemnification obligations to any of the Zwirn Parties for reasonable attorneys fees and costs in connection with this proceeding (the "Legal Bills").
2. Jeepers shall receive a claim for \$70 million solely against the Fund. Jeepers's \$70 million claim will be treated as a "priority" claim in the sense that it will be paid out proportionally (as part of the Fund's orderly liquidation) with the same priority and under the same terms as the Fund makes payments to the Fund's investors/creditors who withdrew from the Fund as of or prior to December 31, 2007 and have not yet been paid. Except as set forth in the prior sentence, Claimants make no representation as to the timing of the actual payments to Jeepers. No interest will accumulate on the \$70 million claim. Except to the extent expressly set forth in Paragraph 5 below, Jeepers will have no further priority claims, non-priority claims, or any other claims for any amounts from the Fund, nor any other interest of any type in the Fund, and it and the other Epstein Parties hereby waive to the fullest extent possible all such claims against Claimants, except for any breach of this settlement agreement.
3. The Epstein Parties, on the one hand, and the Claimants, on the other, will exchange full, general releases, including standard language as to releasing affiliates and other related persons, with a carve-out only for any claims for breach of this settlement agreement.

4. The Epstein Parties will also provide full, general releases to Glenn Dubin and the Zwirn Parties, including standard language as to affiliates and other persons (except as to any claims for breach of this settlement agreement).
5. The Fund will consent to the transfer of the right to distributions with respect to Glenn Dubin's interest in the Fund to Jeepers, without admitting Jeepers as a member with respect to Mr. Dubin's interest. Mr. Dubin will release Claimants and the Zwirn Parties from any claims relating to that interest or relating in any way to the matters at issue in this proceeding, including but not limited to the settlement of this matter (except for any claims for breach of this settlement agreement). The Parties may negotiate an alternative arrangement with respect to Mr. Dubin's interest in the Fund that will not affect the other provisions of this settlement agreement.
6. The Zwirn Parties, on the one hand, and the Claimants, on the other, will exchange releases, including standard language as to releasing affiliates and other related persons, for any claims relating in any way to the matters at issue in this proceeding except for any claims for breach of this settlement agreement or the payment of the Legal Bills.
7. This agreement as read into the record at this proceeding constitutes a binding agreement among the Parties to it. The Parties contemplate, however, the drafting of definitive settlement documents. The Parties agree to enlist the assistance of Judge Carpinello in the event any disputes arise with respect to the drafting of those definitive settlement documents.
8. The Parties to this settlement agreement agree to keep its terms confidential, except (a) to the extent required by law or to the extent necessary to enforce its terms; (b) the Parties shall be permitted to discuss the settlement with their

auditors and legal advisors; and (c) Claimants shall also be entitled to discuss the settlement with their affiliates and other investors.

9. To the extent that any Parties to this settlement agreement enter into any additional agreements with respect to this settlement, such agreements, or the breach of such agreements, shall not affect the validity or enforceability of this agreement. Nor shall Claimants, notwithstanding anything to the contrary set forth in Paragraph 1 above, be responsible, under any indemnification agreement or otherwise, for any costs, expenses or other losses any other Parties incur in connection with this settlement, or any such additional agreements, except to the extent of the Legal Bills.
  
10. The Parties further agree that any claims for breach of this settlement agreement will be submitted for resolution to Judge Carpinello pursuant to the JAMS Comprehensive Arbitration Rules and Procedures. If Judge Carpinello is for any reason unavailable, the Parties agree to submit any dispute to the State or Federal Courts in New York County, New York, but agree to WAIVE ANY RIGHT TO JURY TRIAL.