

UNITED STATES DISTRICT COURT
 SOUTHERN DISTRICT OF NEW YORK

	X	
	:	
SECURITIES AND EXCHANGE	:	
COMMISSION,	:	
Plaintiff,	:	
	:	
v.	:	22 Civ. 9608 (PKC)
	:	
INFINITY Q DIVERSIFIED ALPHA FUND,	:	
	:	
Defendant.	:	
	:	
	X	

STIPULATION AND PROPOSED ORDER

IT IS HEREBY STIPULATED AND AGREED by and among the undersigned Special Master and the parties in this action, the U.S. Securities and Exchange Commission (“SEC”) and Infinity Q Diversified Alpha Fund (the “Fund”) (collectively, the “Parties”), as follows:

WHEREAS, pursuant to its order dated January 10, 2023, as amended on March 10, 2023 (the “Order”), the Court appointed Andrew M. Calamari to serve as Special Master for the Special Reserve established by the Fund, as referenced in paragraph 1 of the Order, to carry out enumerated duties set forth in paragraph 2 of the Order;

WHEREAS, pursuant to paragraph 2(C) of the Order, the Special Master is authorized within ninety (90) days of January 10, 2023 to recommend amendments to the distribution Plan, as defined in the Order, “to ensure a fair and equitable distribution of the Special Reserve”;

WHEREAS, the current date by which the Special Master’s recommendations regarding the Plan are due is April 10, 2023;

WHEREAS, the Fund needs to maintain adequate reserves to be able to meet its liabilities as well as its obligations to indemnify the Fund’s officers, trustees, and certain service

providers (absent a finding that they engaged in certain defined conduct), who are identified as “Indemnites” in Exhibit A to the Order, and to pay for its own defense in litigation;

WHEREAS, numerous pending litigations (including the Mediated Securities Class Actions, as defined in the Order) have been brought against the Fund, Indemnites, and others to recover losses incurred as a result of events leading to an SEC order suspending redemptions from the Fund;

WHEREAS, the Special Master is unable to recommend reducing reserves or propose amendments to the Plan until there is some resolution of existing litigation, which would allow the Special Master to recalculate the Fund’s liabilities as well as the potential future litigation expenses for the Fund and Indemnites;

WHEREAS, a proposed settlement of the Mediated Securities Class Actions is now pending approval in Supreme Court of the State of New York (“New York Supreme Court”);

WHEREAS, New York Supreme Court has twice postponed the settlement fairness hearing, which is now scheduled for June 14, 2023;

WHEREAS, if approved, the proposed settlement would fully resolve the Mediated Securities Class Actions without the contribution of any money from the Special Reserve;

WHEREAS, the Parties anticipate that if the proposed settlement is approved, the Special Master will be able to recommend reducing reserves for pending litigation and propose amendments to the Plan;

NOW, THEREFORE, the Parties hereby stipulate and agree that the date by which the Special Master shall propose amendments to the Plan shall be adjourned to 30 days after the

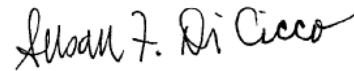
New York Supreme Court enters an order approving or rejecting the proposed settlement in the Mediated Securities Class Actions.

Agreed to this 30th day of March 2023:



Daniel S. Noble
FINN DIXON & HERLING LLP
6 Landmark Square
Stamford, CT 06901
(203) 325-5090

Counsel to the Special Master



Susan F. DiCicco
MORGAN, LEWIS & BOCKIUS LLP
101 Park Avenue
New York, NY 10178-0060
(212) 309-6640

Counsel to the Fund



Neal Jacobson
SECURITIES AND EXCHANGE
COMMISSION
100 Pearl St., Suite 20-100
New York, NY 10004-2616
(212) 336-1100

SO ORDERED:

HONORABLE P. KEVIN CASTEL
UNITED STATES DISTRICT JUDGE