

**IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK**

**IN RE TREMONT SECURITIES LAW,
STATE LAW AND INSURANCE
LITIGATION**

**MASTER FILE NO.:
08 CIV. 11117 (TPG)**

This Document Relates To:

All Actions

**[PROPOSED] ORDER AND FINAL JUDGMENT GRANTING SETTLING CLASS
PLAINTIFFS' MOTION FOR FINAL APPROVAL OF PLANS OF ALLOCATION**

This matter came before the Court for a hearing which was held on June 1 and August 8, 2011 ("Final Fairness Hearing"), pursuant to the Order of this Court entered on April 5, 2011, on the application of the Settling Class Plaintiffs for an order approving the Plans of Allocation as fair and reasonable and in the best interests of the Settlement Class.

The Court, having considered all matters submitted to it at the Final Fairness Hearing and otherwise, IT IS HEREBY ORDERED, ADJUDGED AND DECREED as follows:

1. This Court has jurisdiction over the subject matter of the Actions, including the terms and conditions of the Stipulation and all exhibits thereto, and the Plans of Allocation, and over all Settling Parties to the Actions and all Settlement Class Members.
2. Unless otherwise defined herein, all capitalized terms used herein have the meanings as set forth and defined in the Stipulation.

3. The proposed Plans of Allocation are hereby approved as fair and reasonable and in the best interests of the Settlement Class, with the modification that the terms “Contribution” and “Redemption” are defined as follows: (i) “Contribution” is the amount paid on or before December 11, 2008 by an Authorized Claimant to an Eligible Hedge Fund for an Eligible Security. If an authorized claimant acquired an Eligible Security by means of a gift, assignment, inheritance or operation of law, the Contribution for that acquisition shall be calculated by using the amount paid for the Eligible Security on the original date of Purchase and not the date of transfer, unless the transfer resulted in a taxable event or other change in the cost basis of the Eligible Security; and (ii) “Redemption” is the amount withdrawn on or before December 11, 2008 by an Authorized Claimant from an Eligible Hedge Fund based on ownership of an Eligible Security. For this purpose, Redemption is the amount requested and actually paid to an Authorized Claimant from an Eligible Hedge Fund based on the ownership of an Eligible Security.

4. The Settling Funds, Settling Defendants and the Plaintiffs agree that the Settling Funds may not assign or transfer any claims relating to the Swap Counterparties other than to class counsel. Except as otherwise released in the Settlement Agreement, any claims of the Settling Funds relating to the Swap Counterparties are preserved, except that such preserved claims may only be asserted by the Settling Funds (or by class counsel if so assigned) in defense of the Swap Counterparties’ assertion of claims against the Settling Funds under the swap contracts.

5. The Court finds that no just reason exists for delay in entering final judgment pursuant to Rule 54(b) of the Federal Rules of Civil Procedure in accordance with the

Stipulation. Accordingly, the Clerk is hereby directed to enter this Judgment forthwith pursuant to Rule 54(b).

6. The moving and reply papers reflect a variety of factors that support entry of a final judgment pursuant to 54(b). The Court is entering a separate final judgment regarding the Stipulation, which approves the Settlement and concludes further litigation on the merits of the claims addressed therein, barring a reversal on appeal.

7. The Plans of Allocation are not a necessary term of the Settlement and the Settlement is not conditioned upon the approval of any particular plan of allocation. Reversal of any order of the Court approving any of the Plans of Allocation shall not constitute grounds for terminating the Settlement, shall not act to terminate the Settlement of the Actions, and shall have no impact on the releases granted to the Settling Defendants, the Settling Funds, the Settling Plaintiffs and the Settlement Class.

8. In addition, the Court finds that an appeal of this Judgment should not operate to delay distribution of monies to interested investors pursuant to the Stipulation and/or Plans of Allocation, given that any such delay could cause further hardship to investors.

9. In light of all the relevant circumstances, and in light of the factors appearing from the moving and reply papers, the Court expressly finds and determines that no just reason exists for delay in entering final judgment pursuant to Rule 54(b) of the Federal Rules of Civil Procedure in accordance with the Stipulation and separately with respect to this Judgment. Accordingly, the Clerk is hereby directed to enter this Judgment forthwith pursuant to Rule 54(b).

10. The Court also finds and declares, in accordance with the Declaratory Judgment Act (28 U.S.C. §§ 2201-2202), that: (i) the notice and hearing regarding the Net Settlement Plan

of Allocation and Fund Distribution Account Plan of Allocation were fair, adequate, reasonable, and consistent with this Court's prior Notice Order; (ii) the Net Settlement Fund Plan of Allocation is fair, adequate and reasonable; (iii) the Fund Distribution Account Plan of Allocation is fair, adequate and reasonable; and (iv) Settlement Class Counsel may implement the Plans of Allocation according to their terms and in the interests of fairness and equity, including allocation of any and all remaining assets in the Fund Distribution Account, subject to the Court's continuing authority to supervise the same.

11. The Court has considered the objections made by various Objectors, and to the extent not withdrawn, finds them to lack standing, be deficient and/or otherwise without merit and hereby determines that they are overruled.

SIGNED this ____ day of _____, 2011

Honorable Thomas P. Griesa
UNITED STATES DISTRICT JUDGE