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Press release from the offices of Irving H. Picard, SIPA Trustee for the liquidation of Bernard L. Madoff Investment Securities LLC (BLMIS), and Stephen P. Harbeck, President and Chief Executive Officer of the Securities Investor Protection Corporation (SIPC)

**MADOFF TRUSTEE REACHES RECOVERY AGREEMENTS
WITH OFFSHORE FUNDS IN BVI**

**SETTLEMENTS WITH LAGOON AND THEMA FUNDS DELIVER
IMMEDIATE BENEFIT TO CUSTOMER FUND OF
APPROXIMATELY \$370 MILLION**

*Approximately \$11.6 Billion Recovered To Date in BLMIS Liquidation;
Approximately \$9 Billion Distributed to Madoff Victims*

NEW YORK, NEW YORK and WASHINGTON, DC – June 27, 2017 – Irving H. Picard, Securities Investor Protection Act (SIPA) Trustee for the liquidation of Bernard L. Madoff Investment Securities LLC (BLMIS), filed two motions today in the United States Bankruptcy Court for the Southern District of New York. The first motion seeks approval of a settlement agreement with Lagoon Investment Limited (“Lagoon”) and Hermes International Fund Limited (“Hermes”; together, the “Lagoon Defendants”). The second motion seeks approval of a settlement agreement with Thema Fund Limited (“Thema Fund”) and Thema Wise Investments Ltd. (“Thema Wise”; together, the “Thema Defendants”). An approval hearing for both agreements has been set for July 26, 2017 at 10 a.m.

Lagoon is a BVI corporation that was the BLMIS account holder through which Hermes invested with BLMIS. The Thema funds are based in BVI. Under the terms of the agreements with the Lagoon and Thema Defendants, Lagoon will pay approximately \$240 million to the BLMIS Customer Fund and Thema Wise will pay approximately \$130 million. Both payments represent a recovery of 100 percent of the transfers from BLMIS to the Lagoon and Thema Defendants during the six years prior to the collapse of BLMIS.

The SIPA Trustee will allow the net equity claims of the Lagoon and Thema Defendants upon receipt of the payments.

“Settlements like these are highly beneficial to Madoff’s victims,” said BakerHostetler partner Oren J. Warshavsky. “Not only do we resolve all claims, but we also avoid litigation, which can delay additional restitutions to Madoff’s victims. Together, the settlements represent slightly more than a 1 percent increase in recovery for future distributions to customers with allowed claims.”

Stephen P. Harbeck, President and Chief Executive Officer of SIPC, stated, “Recovering funds from offshore defendants is always challenging. The settlements announced today represent significant accomplishments by the SIPA Trustee and his legal team. We look forward to additional distributions to the victims of the fraud in the near future.”

The SIPA Trustee’s motion can be found on the United States Bankruptcy Court’s website at <http://www.nysb.uscourts.gov/>; Bankr. S.D.N.Y., No. 08-01789 (SMB) / Adv. Pro. No. 09-01364 (SMB). The motion – as well as further information on recoveries to date, other legal proceedings, further settlements, and general information – can also be found on the SIPA Trustee’s website: www.madofftrustee.com.

Messrs. Harbeck and Picard, and David J. Sheehan, Chief Counsel to the SIPA Trustee, would like to thank the Securities Investor Protection Corporation’s Josephine Wang and Kevin Bell, as well as BakerHostetler attorneys Oren J. Warshavsky, Geoffrey A. North, Gonzalo S. Zeballos, Robertson D. Beckerlegge, Carrie A. Longstaff, Eric B. Hiatt, Peter B. Shapiro, Michelle R. Usitalo, Tatiana Markel, Dominic A. Gentile and Anat Maytal, who assisted with the work on these settlements.

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