

Trustee Announces New Policy to Speed Payment of SIPC Advances to Customers

In an effort to get money more quickly to the victims of Bernard L. Madoff Investment Securities LLC (“BLMIS”) now that the claims filing period has ended, the Trustee, with the support of the Securities Investor Protection Corporation (“SIPC”), is instituting a new policy to speed the payment of SIPC advances to customers. The policy is intended to provide BLMIS customers that are entitled to money from SIPC advances with such SIPC funds while any disputes regarding their claim determinations are being resolved.

In the exercise of his duties under the Securities Investor Protection Act (“SIPA”), the Trustee is issuing determination notices to customers regarding claims they have filed in the BLMIS liquidation proceeding. Under the new policy, the Trustee will promptly pay the undisputed portion of the customer’s claim up to the limits of SIPC protection (an amount up to \$500,000) even if the customer has objected to the Trustee’s determination of a claim. The payment of the undisputed amount of the customer’s claim (up to the limits of SIPC protection) will be without prejudice to the Trustee’s and the customer’s rights, claims, and defenses with respect to the disputed portion of the customer’s claim. In order to be paid, the customer will need to provide a partial assignment and release to the Trustee as to the undisputed portion, consistent with SIPA.