

TRUSTEE ANNOUNCES OVER \$116 MILLION IN COMMITMENTS MADE TO MADOFF CLAIMANTS

May 26, 2009

Irving H. Picard, the court-appointed trustee for the liquidation of Bernard L. Madoff Investment Securities LLC ("BLMIS") under the Securities Investor Protection Act ("SIPA"), has announced that a total of more than \$116,000,000.00 in SIPC protection funds have been committed to 237 BLMIS customers. These figures exceeded the Trustee's previous goal to have \$100,000,000.00 in SIPC protection funds committed by Memorial Day.

The 237 proposed allowed customer claims total \$720,876,674.33 in approved claims against BLMIS. These allowed customer claims exceed the statutory limit of SIPC protection by \$604,646,312.79. SIPA provides that customers with allowed claims share pro rata in customer property to the extent of their allowed claim. Additionally, SIPC funded protection (up to the SIPA statutory limit of \$500,000.00 per customer) is used to supplement the pro rata distribution. Thus, the Trustee and SIPC have committed over \$116,000,000.00 in SIPC protection to supplement the pro rata distribution to these 237 customers.

The only source of payment for the unprotected portion of these and other claims is the recovery of BLMIS property by the Trustee through the various actions he has and will undertake, including avoidance actions and other recoveries of BLMIS property. It is the Trustee's intent, pursuant to SIPA, to submit a Motion for an order of the Bankruptcy Court to allocate the funds and other property he has collected and will collect into the fund of customer property and to distribute customer property pro rata among customers with allowed claims.

In a related press release issued today, the Trustee announced a settlement with two funds managed by Optimal Investment Services SA, one of the largest conduits of investor money to BLMIS, which agreed to pay \$235,000,000.00 to settle potential legal claims by the Trustee. The settlement amounts to 85% of what the Trustee would have sought in an avoidance action from the Optimal fund.

"I am very pleased that we reached such a favorable settlement with Optimal and that Optimal will pay more than \$235 million to resolve the claims against it. We hope that other entities against which we have claims will likewise come forward to settle those claims for the benefit of all of Madoff's victims," said Mr. Picard.