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Statement from the office of Irving H. Picard, SIPA Trustee for the liquidation of Bernard L. Madoff Investment Securities LLC (BLMIS)

Attributable to Amanda Remus, spokeswoman for the SIPA Trustee & his Counsel at BakerHostetler:

SECOND CIRCUIT COURT OF APPEALS UPHOLDS TRUSTEE'S DEFINITION OF NET EQUITY

NEW YORK, NEW YORK – August 16, 2011 – Today, the United States Court of Appeals for the Second Circuit issued a decision upholding the Trustee's definition of net equity, as applied to the Madoff Ponzi fraud.

This is an important step forward for customers with allowed claims. The Trustee has maintained all along that his definition of net equity – which is supported by longstanding precedents in bankruptcy and securities laws – is the fairest approach to the determination of claims, and hopes that the Court's decision can be the final word on this issue.

The Baker & Hostetler LLP attorneys involved with the ongoing core work on the Trustee's definition of net equity were David J. Sheehan, Seanna R. Brown, Thomas D. Warren and Wendy J. Gibson.