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

**THIRD INTERIM *PRO RATA* DISTRIBUTION OF RECOVERED FUNDS  
TO MADOFF CLAIMS HOLDERS  
TOTALS APPROXIMATELY \$506.2 MILLION**

**More Than Half of BLMIS Accounts with Allowed Claims Fully Satisfied  
Through Aggregate Distributions of Approximately \$5.44 Billion**

**NEW YORK, NEW YORK – April 1, 2013** – Irving H. Picard, SIPA Trustee for the liquidation of Bernard L. Madoff Investment Securities LLC said today that the third *pro rata* interim distribution of recoveries from the Customer Fund to eligible BLMIS customers commenced on Friday, March 29, 2013.

In the third interim distribution, the SIPA Trustee is distributing approximately \$506.2 million on a *pro rata* basis to BLMIS account holders with allowed claims, bringing the amount distributed to eligible claimants to \$5.44 billion, which includes approximately \$807.2 million in committed advances from the Securities Investor Protection Corporation (SIPC). When combined with the funds previously returned to BLMIS customers, the distribution fully satisfies more than 50 percent of the total current accounts with allowed claims.

In the third distribution, allowed claim holders will receive approximately 4.721 percent of the allowed claim amount of each individual account, unless the claim is fully satisfied. Currently, 2,178 account holders have allowed claims and, of these account holders, 1,106 will be fully satisfied following the third interim distribution. The average payment in this distribution is approximately \$459,000 and the largest payment is approximately \$116 million.

“This distribution is another important milestone in the global Madoff Recovery Initiative,” said Mr. Picard. “Significant recoveries remain on hold, however, pending appeals and court rulings. Our twin priorities are not only to continue building the Customer Fund with additional recoveries, but also to keep pushing hard for resolutions that will enable further distributions this year.”

“This is one of the most difficult, complex and time-consuming cases in history and SIPC’s deep involvement and its funding of the litigation have contributed significantly

to the recoveries that have been achieved,” said Stephen P. Harbeck, president and CEO of SIPC. “The SIPA Trustee’s priorities are the same as SIPC’s, to recover and distribute funds as quickly as possible to BLMIS customers with allowed claims.”

Funds for the third distribution are drawn primarily from the allocation of approximately \$1.2 billion from the Tremont Funds settlement and other funds recovered by the SIPA Trustee since the second interim distribution in September 2012 through February 28, 2013.

“While we cannot predict the timing of the next distribution, we expect that 2013 will bring significant advances on a number of legal fronts, particularly in international matters,” said David J. Sheehan, Chief Counsel to the SIPA Trustee. “We are confident in our legal positions and we look forward to more good news this year for BLMIS customers.”

Approximately \$3.626 billion has been distributed to date to BLMIS accountholders with allowed claims through the second *pro rata* interim distribution and approximately \$499.8 million through the first *pro rata* interim distribution.

The SIPA Trustee has recovered or reached agreements to recover approximately \$9.320 billion since December 2008, representing more than 53 percent of the approximately \$17.5 billion in principal estimated to have been lost in the Ponzi scheme by BLMIS customers who filed claims. These recoveries exceed similar efforts related to prior Ponzi schemes, in terms of dollar value and percentage of stolen funds recovered.

One hundred percent of the SIPA Trustee’s recoveries will be allocated to the Customer Fund for distribution to BLMIS customers with allowed claims. All administrative costs of the SIPA liquidation of BLMIS have been funded by SIPC. Recoveries for the Customer Fund are paid to BLMIS customers in accordance with SIPA.

Messrs. Picard and Sheehan would like to thank Seanna Brown and Heather Wlodek, BakerHostetler attorneys who worked on the third *pro rata* interim distribution and its related filings. They would also like to thank Vineet Sehgal and his colleagues at AlixPartners for their ongoing work on the SIPA liquidation.

Further information on the ongoing Madoff Recovery Initiative can be found on the SIPA Trustee’s website: [www.madofftrustee.com](http://www.madofftrustee.com).

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