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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)

**FOURTH PRO RATA INTERIM DISTRIBUTION OF RECOVERED FUNDS
TO MADOFF CLAIMS HOLDERS COMMENCES;
TOTALS APPROXIMATELY \$351.6 MILLION**

Aggregate Distributions Total Near \$6 Billion

NEW YORK, NEW YORK – May 5, 2014 – Irving H. Picard, Securities Investor Protection Act (SIPA) Trustee for the liquidation of Bernard L. Madoff Investment Securities LLC, said today that the fourth pro rata interim distribution of recoveries from the Customer Fund to eligible BLMIS customers commenced on Monday, May 5, 2014.

In the fourth interim distribution, the SIPA Trustee is distributing approximately \$351.6 million on a pro rata basis to BLMIS account holders with allowed claims, bringing the amount distributed to eligible claimants to almost \$6 billion, which includes approximately \$812.2 million in committed advances from the Securities Investor Protection Corporation (SIPC).

“Today’s distribution is another important step forward for our recovery efforts,” said Mr. Picard. “We are already looking ahead to additional, significant recoveries and distributions later this year. While more than 1,100 victims have already recovered the full principal they lost in the fraud, we are working to restore all of the stolen funds to all of the approved claimants as quickly as possible.”

“SIPC is pleased with the progress made in the BLMIS liquidation under SIPA,” said SIPC President and CEO Stephen P. Harbeck. “SIPC has worked closely with Mr. Picard and his legal team, toward the achievement of important milestones like the one being announced today. SIPC’s support of the recovery initiative will continue, as the Trustee and his team pursue our shared goal of a 100 percent return of property to Madoff customers.”

“We are pleased that the recovery efforts have resulted in another significant distribution,” said David J. Sheehan, Chief Counsel to the SIPA Trustee. “We remain optimistic that we will achieve additional recoveries from litigation and settlements and hope to be able to soon release funds held in reserve for pending appeals for the benefit of Madoff customers with allowed claims.”

The fourth distribution will be paid on claims relating to 1,081 BLMIS accounts, to record holders of allowed claims as of April 17, 2014. Allowed claims will receive 3.18 percent of the allowed claim amount of each individual account, unless the claim is fully satisfied.

The average payment for an allowed claim issued in the fourth distribution will total approximately \$325,000. The smallest payment totals approximately \$500.00 and the largest payment is approximately \$77.8 million.

Funds from the \$325 million settlement with JPMorgan Chase, other smaller settlements and recoveries that have been released from reserves through the end of March 2014 comprise the bulk of the funds to be distributed in the fourth distribution.

Currently, the SIPA Trustee has allowed 2,518 claims related to 2,190 BLMIS accounts. Of these accounts, 1,129 accounts will be fully satisfied following the fourth interim distribution. All allowed claims totaling \$925,000 or less will be fully satisfied after the distribution.

To date, the SIPA Trustee has recovered or reached agreements to recover approximately \$9.800 billion since his appointment in December 2008. These recoveries exceed similar efforts related to prior Ponzi scheme recoveries, in terms of dollar value and percentage of stolen funds recovered. Ultimately, 100 percent of the SIPA Trustee's recoveries will be allocated to the Customer Fund for distribution to BLMIS customers with allowed claims.

Prior distributions by the SIPA Trustee to BLMIS accounts with allowed claims are as follows:

- The first pro rata interim distribution, which commenced on October 5, 2011, has distributed approximately \$516.3 million, representing 4.602 percent of the allowed claim amount of each individual account, unless the claim is fully satisfied.
- The second pro rata interim distribution, which commenced on September 19, 2012, has distributed approximately \$3.747 billion, representing 33.556 percent of the allowed claim amount of each individual account, unless the claim is fully satisfied.
- The third pro rata interim distribution, which commenced on March 29, 2013, has distributed approximately \$523.2 million, representing 4.721 percent of the allowed claim amount of each individual account, unless the claim is fully satisfied.

More information on overall recoveries to date and the ongoing liquidation can be found on the SIPA Trustee's website: www.madofftrustee.com.

Messrs. Picard and Sheehan would like to thank BakerHostetler's Seanna Brown and Heather Wlodek, who worked on the fourth pro rata interim distribution and related filings, as well the SIPA Trustee's legal teams worldwide. They would also like to thank Vineet Sehgal and his colleagues at AlixPartners for their ongoing work on the SIPA liquidation.

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