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Press release from the offices of Irving H. Picard, SIPA Trustee for the liquidation of Bernard L. Madoff Investment Securities LLC and the Securities Investor Protection Corporation (SIPC)

**MADOFF TRUSTEE REACHES RECOVERY AGREEMENT OF \$140 MILLION
WITH FEEDER FUND PLAZA INVESTMENTS INTERNATIONAL &
NOTZ, STUCKI MANAGEMENT (BERMUDA) LIMITED**

**TOTAL BLMIS CUSTOMER FUND RECOVERIES & AGREEMENTS WILL NOW BE
MORE THAN \$10.874 BILLION**

NEW YORK, NEW YORK and WASHINGTON, D.C. – June 19, 2015 – Irving H. Picard, Securities Investor Protection Act (SIPA) Trustee for the liquidation of Bernard L. Madoff Investment Securities LLC (BLMIS), and the Securities Investor Protection Corporation (SIPC) announced that the SIPA Trustee filed a motion today in the United States Bankruptcy Court for the Southern District of New York seeking approval of a settlement agreement with Plaza Investments International Limited and Notz, Stucki Management (Bermuda) Limited (collectively, “Plaza”).

Under the terms of the agreement, the settlement with Plaza will immediately benefit the BLMIS Customer Fund by \$140 million. This payment by Plaza represents approximately 60 percent of the amount transferred from BLMIS to Plaza during the six-year period prior to the BLMIS liquidation filing and also includes 100 percent of the preference and transfers from BLMIS to the Plaza defendants that occurred within two years of the BLMIS liquidation filing. The approval hearing has been set for July 29, 2015 at 10:00 a.m.

As of the approval of the settlement, Plaza will be entitled to an allowed claim of approximately \$405 million and entitled to receive catch-up payments of approximately \$198 million based on the five pro rata interim distributions made in the SIPA liquidation of BLMIS to date, plus the \$500,000 SIPC advance. Plaza will use the first \$140 million of the catch-up payments to pay the amount it owes to the BLMIS Customer Fund. Plaza will now be entitled to further pro rata interim distributions along with all other BLMIS customers with allowed claims not yet fully satisfied.

SIPC President and CEO Stephen P. Harbeck said, “These settlements will be a substantial addition to the SIPA Trustee's fund of ‘customer property.’ It shows the critical importance of powers given by the Bankruptcy Code and the Securities Investor Protection Act to the SIPA Trustee to recover assets for the investors who lost their funds in this financial tragedy. These settlements are a continuation of the SIPA Trustee's efforts to fully satisfy as many BLMIS allowed claims as possible.”

Harbeck added, “To that end, SIPC pays for all of the administrative expenses necessary to recover assets for distribution in the Madoff proceeding. All of the funds recovered are distributed to customers. No customer money is used for administrative expenses.”

Elizabeth Scully, BakerHostetler lead counsel for the Plaza matter on behalf of the SIPA Trustee stated, “The SIPA Trustee’s motion asks that the agreement be approved because it confers significant benefits not only to the BLMIS Customer Fund but also to the investors of Plaza. As with all settlements in the BLMIS liquidation, the first priority is to ensure that every account in the SIPA liquidation first be brought onto a level playing field so that those entitled to Customer Fund assets may receive fair and orderly distributions according to the law. With Court approval, the recovered money from Plaza will be combined with available recoveries in the Customer Fund and distributed on a pro rata basis to all BLMIS customers with allowed claims. To date, the SIPA Trustee has allowed 2,557 claims related to 2,220 BLMIS accounts; of these accounts, 1,162 accounts – or all allowed claims totaling \$976,592 or less – have been fully satisfied.”

One hundred percent of the SIPA Trustee's recoveries will be allocated to the BLMIS Customer Fund for distribution to customers with allowed claims. To date, the SIPA Trustee has reached recoveries and agreements to recover approximately \$10.734 billion and has distributed more than \$7.576 billion, which includes \$825.5 million in committed advances from SIPC. Once this agreement and other pending agreements are approved by the Bankruptcy Court, the total BLMIS Customer Fund recoveries will total \$10.874 billion.

The costs associated with the SIPA Trustee’s recovery and settlement efforts are paid in full by SIPC, which administers a fund drawn upon assessments on the securities industry. No fees or other costs of administration are paid from the recoveries obtained by the SIPA Trustee for the benefit of the BLMIS Customer Fund.

The SIPA Trustee’s motion can be found on the United States Bankruptcy Court’s website at <http://www.nysb.uscourts.gov/>; Bankr. S.D.N.Y., No. 08-01789 (SMB) / Adv. Pro. No. 10-04284 (SMB). In addition, the motion – as well as further information on recoveries to date, other legal proceedings, further settlements, and general information – can be found on the SIPA Trustee’s website: www.madofftrustee.com.

In addition to Ms. Scully, Mr. Harbeck and the SIPA Trustee Irving Picard would like to thank the Securities Investor Protection Corporation’s Kevin Bell and David Sheehan, Chief Counsel to the SIPA Trustee as well as Mark Kornfeld and Tom Long, BakerHostetler attorneys who assisted with the work on this settlement.

About SIPC

The Securities Investor Protection Corporation (<http://www.sipc.org>) is the U.S. investor's first line of defense in the event of the failure of a brokerage firm owing customers cash and securities that are missing from customer accounts. SIPC either acts as trustee or works with an independent court-appointed trustee in a brokerage insolvency case to recover funds.

The statute that created SIPC provides that customers of a failed brokerage firm receive all non-negotiable securities - such as stocks or bonds -- that are already registered in their names or in the process of being registered. At the same time, funds from the SIPC reserve are available to satisfy the remaining claims for customer cash and/or securities held in custody with the broker for up to a maximum of \$500,000 per customer. This figure includes a maximum of \$250,000 on claims for cash. From the time Congress created it in 1970 through December 2014, SIPC has advanced \$ 2.3 billion in order to make possible the recovery of \$134 billion in assets for an estimated 773,000 investors.

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