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Joint press release from the offices of Irving H. Picard, SIPA Trustee for the liquidation of Bernard L. Madoff Investment Securities LLC (BLMIS), and Stephen P. Harbeck, President and Chief Executive Officer of the Securities Investor Protection Corporation (SIPC)

**EIGHTH PRO RATA INTERIM DISTRIBUTION OF RECOVERED FUNDS
TO MADOFF CLAIMS HOLDERS COMMENCES;
TOTALS APPROXIMATELY \$252 MILLION**

Aggregate Distributions Total Approximately \$9.72 Billion

NEW YORK, NEW YORK and WASHINGTON, DC – February 2, 2017 – Irving H. Picard, Securities Investor Protection Act (SIPA) Trustee for the liquidation of Bernard L. Madoff Investment Securities LLC (BLMIS), announced that the eighth pro rata interim distribution from the Customer Fund to eligible BLMIS customers commenced today, Thursday, February 2, 2017.

The SIPA Trustee is distributing approximately \$252 million on a pro rata basis to BLMIS account holders with allowed claims, bringing the aggregate amount distributed to eligible claimants to approximately \$9.72 billion, which includes more than \$839.9 million in committed advances from the Securities Investor Protection Corporation (SIPC). The eighth distribution represents 1.729 percent of each claim dollar and will be paid on claims relating to 953 BLMIS accounts to record holders of allowed claims as of January 12, 2017. When combined with the prior seven distributions, in aggregate, 60.098 percent of each customer's allowed claim amount will be paid, unless that claim has been fully satisfied.

“This distribution continues the process of returning assets to the Madoff victims as promptly as possible. The Trustee and his team continue to produce extraordinary results,” said SIPC President and CEO Stephen P. Harbeck. “I would stress that all of the funds recovered by the Trustee go directly to the victims. All of the administrative costs and professional fees in this case are paid by SIPC.”

The eighth pro rata interim distribution was reached as a result of settlements and recoveries achieved by the SIPA Trustee, his Chief Counsel David J. Sheehan, and their legal teams during the second half of 2016. The most notable was the universal recovery agreement of

approximately \$269 million that ended litigation against the Estate of Stanley Chais and other Chais-related defendants.

The average payment for an allowed claim issued in the eighth distribution will total \$263,998.40. The smallest payment totals \$271.80 and the largest payment is \$42,320,519.04. In addition, SIPC will be reimbursed for its advances to accounts that the eighth interim distribution has fully satisfied.

Currently, the SIPA Trustee has allowed claims related to 2,257 BLMIS accounts. Of these accounts, 1,335 accounts will now be fully satisfied following the eighth interim distribution. All allowed claims up to \$1,253,018.77 will be fully satisfied after the distribution.

As of December 31, 2016, the SIPA Trustee has recovered or reached agreements to recover approximately \$11.564 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. None of the money recovered is used to pay administrative costs. All trustee, legal and accounting fees, as well as administrative expenses, are paid by SIPC.

Prior distributions as of February 2, 2017 are as follows:

- The first pro rata interim distribution, which commenced on October 5, 2011, has distributed approximately \$685.5 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 \$4.98 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 \$696.5 million, representing 4.721 percent of the allowed claim amount of each individual account, unless the claim is fully satisfied.
- The fourth pro rata interim distribution, which commenced on May 5, 2014, has distributed approximately \$468.4 million, representing 3.180 percent of each individual account, unless the claim is fully satisfied.
- The fifth pro rata interim distribution, which commenced on February 6, 2015, has distributed approximately \$403.5 million, representing 2.743 percent of each individual account, unless the claim is fully satisfied.

- The sixth pro rata interim distribution, which commenced on December 4, 2015, has distributed approximately \$1.209 billion, representing 8.262 percent of each individual account, unless the claim is fully satisfied.
- The seventh pro rata interim distribution, which commenced on June 30, 2016, has distributed approximately \$190.3 million, representing 1.305 percent of each individual account, unless the claim is fully satisfied.

There are 57 deemed determined claims still subject to litigation. Once litigation is resolved or settled, these claims may be allowed. Any allowed claim would become eligible for all pro rata distributions to date and could add billions of dollars to the total value of allowed claims. For this potential scenario, the SIPA Trustee has to date reserved approximately \$1.988 billion.

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

Messrs. Harbeck, Picard and Sheehan would like to thank BakerHostetler attorneys Seanna Brown and Heather Wlodek, who worked on the eighth pro rata interim distribution and its related filings, as well as BakerHostetler, Windels Marx and all of the attorneys and professionals whose work has led to the distribution. They would also like to thank Vineet Sehgal and his colleagues at AlixPartners, as well as Josephine Wang, Kevin Bell and their colleagues at SIPC, for their ongoing work and participation in the Madoff Recovery Initiative.

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