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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)

MADOFF TRUSTEE ANNOUNCES RECOVERY OF MORE THAN $23 MILLION IN ASSETS FROM SETTLEMENT WITH THE ESTATES OF MADOFF SONS

NEW YORK, NEW YORK and WASHINGTON, DC – June 27, 2017 – Irving H. Picard, Securities Investor Protection Act Trustee (the "SIPA Trustee") for the liquidation of Bernard L. Madoff Investment Securities LLC (BLMIS), filed a motion yesterday in the United States Bankruptcy Court for the Southern District of New York seeking approval of a settlement between the SIPA Trustee and the United States Attorney's Office for the Southern District of New York (the "Government"), and the Estate of Mark D. Madoff, the Estate of Andrew H. Madoff (collectively, the "Madoff Brothers' Estates"), and Mark Madoff's widow, Stephanie Mack (a/k/a Stephanie Madoff; "Mack") (collectively, the "Parties"). The Bankruptcy Court will hold a hearing for approval of the settlement motion on July 26, 2017 at 10:00 a.m.

Under the terms of the agreement, the SIPA Trustee and the Government will receive more than $23 million in cash and other assets from the Madoff Brothers' Estates and Mack. The total recovery will be shared equally between the SIPA Trustee and the Government. All proceeds of the settlement received by the SIPA Trustee will benefit the Customer Fund for ultimate distribution to BLMIS customers with allowed claims.

"This settlement resolves exceptionally complex litigation with the Madoff Brothers' Estates, in a way most favorable to the customers of BLMIS. It ends years of litigation and makes a substantial contribution to the Customer Fund," said Stephen P. Harbeck, President and Chief Executive Officer of the Securities Investor Protection Corporation (SIPC). "As with other settlements throughout this proceeding, the Trustee will be in a position to make a distribution as promptly as practicable."

"This agreement puts the interests of Madoff's victims first, by settling the prolonged dispute without additional expense or delay, and it allows the SIPA Trustee to bring the maximum amount of money back to the Customer Fund for distribution to allowed claimants," said David J. Sheehan, Chief Counsel to the SIPA Trustee.

This settlement agreement resolves all claims brought by the SIPA Trustee against the Madoff Brothers and their respective Estates as well as certain business entities that they owned and controlled. In addition to surrendering these assets, the Madoff Brothers' Estates relinquished their claims to more than $100 million in purported deferred compensation, other benefits from BLMIS, and funds purportedly held in customer accounts at the time of BLMIS's collapse.

To date, the SIPA Trustee has recovered or reached agreements to recover approximately $11.616 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. The SIPA Trustee has distributed approximately $9.725 billion – which includes more than $839.9 million in committed advances from the Securities Investor Protection Corporation (SIPC) to BLMIS account holders with allowed claims. In aggregate, 60.098 percent of each customer's allowed claim amount has been paid, unless that claim has been fully satisfied.

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.

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 express their appreciation to the United States Attorney's Office for their collaboration in bringing this matter to closure, as well as thank Lauren J. Resnick, Jimmy Fokas, Patrick T. Campbell, and Melissa M. Carvalho of BakerHostetler, who worked on the litigation. Messrs. Picard and Sheehan also acknowledge the work of Windels Marx Lane & Mittendorf attorneys Howard L. Simon, Kim M. Longo, and John T. Tepedino.

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