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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 (BLMIS), and Stephen P. Harbeck, President and Chief Executive Officer of the Securities Investor Protection Corporation (SIPC)

MADOFF RECOVERY INITIATIVE MARKS TENTH ANNIVERSARY**MADOFF TRUSTEE FILES MOTION FOR TENTH ALLOCATION AND TENTH INTERIM DISTRIBUTION**

- **Madoff Trustee Requests Allocation of More Than \$515 Million to Customer Fund and Court Approval to Immediately Distribute More Than \$419 Million to BLMIS Customers with Allowed Claims**
- **Tenth Interim Distribution Will Bring Aggregate Payout to More Than \$12 Billion**
- **More Than \$13.3 Billion Recovered**

NEW YORK, NEW YORK and WASHINGTON, DC – December 11, 2018 – Ten years ago today, the world learned about Bernard Madoff’s unprecedented fraud, a global Ponzi scheme that spanned decades and defrauded thousands of customers.

More than \$13.3 billion of those stolen funds have been recovered through the Madoff Recovery Initiative, led by Irving H. Picard, Securities Investor Protection Act (SIPA) Trustee for the liquidation of Bernard L. Madoff Investment Securities LLC (BLMIS), and David J. Sheehan, Chief Counsel to the SIPA Trustee, both of whom are partners at BakerHostetler LLP. The recoveries far exceed similar efforts related to prior Ponzi schemes both in terms of dollar value and percentage of stolen funds recovered. The Initiative is funded by the Securities Investor Protection Corporation (SIPC).

Concurrent with the tenth anniversary of the fraud’s discovery, Mr. Picard filed a motion today in the United States Bankruptcy Court for the Southern District of New York seeking approval for an allocation of more than \$515 million in recoveries to the BLMIS Customer Fund and an authorization for a tenth pro rata interim distribution of more than \$419 million from the Customer Fund to BLMIS customers with allowed claims. A hearing on the motion has been scheduled for Wednesday, January 23, 2019 at 10:00 a.m. EST.

Stephen P. Harbeck, President and Chief Executive Officer of SIPC, said, “Ten years ago today, Bernard Madoff’s fraud was uncovered. SIPC and the then newly appointed SIPA Trustee, Irving Picard, along with his chief counsel, David Sheehan, launched the Madoff Recovery Initiative, which has since set new benchmarks for similar recovery efforts in the future. It’s appropriate that we announce today yet another benchmark in this remarkable effort: the tenth distribution.”

“At the start of this recovery initiative nearly ten years ago, conventional wisdom said we would only be able to recover pennies on the dollar, given the challenges of reconstructing the fraud, identifying the stolen funds, and recovering those funds,” said Mr. Picard. “However, our teams spread out across the globe, and with unrelenting determination and the support of the Securities Investor Protection Corporation, we have recovered a sum that once seemed out-of-reach and, most importantly, restored stolen funds to their rightful owners.”

Tenth Distribution Will Bring Total Amount Restored to More Than \$12 Billion

Plans for the tenth pro rata interim distribution are the result of more than \$515 million in settlements and recoveries achieved by the SIPA Trustee and the legal teams since the last interim distribution in February 2018. Among the notable recoveries in 2018 are the \$76.5 million payment to the BLMIS Customer Fund by Alpha Prime Fund Ltd. and the \$281 million recovery from J. Ezra Merkin, Ascot Partners, L.P., Ascot Fund Limited and Gabriel Capital Corporation.

When combined with the prior nine distributions, the tenth distribution will equal 66.371 percent of each customer’s allowed claim amount, unless that claim has been fully satisfied. The aggregate amount distributed to eligible BLMIS customers will total more than \$12 billion, which includes approximately \$844.92 million in advances committed by the Securities Investor Protection Corporation (SIPC).

Mr. Picard, Mr. Sheehan, and their teams have delivered more than 900 recovery agreements over the past decade. Thirty-three of these agreements each reflected a recovery of at least \$20 million, 16 of which exceeded \$100 million each.

“Our teams and Madoff’s claimants have much to celebrate on this tenth anniversary,” said Mr. Sheehan. “However, we are far from done. Even as we look back on this achievement, we are continuing our global efforts and looking ahead to future, significant recoveries and distributions.”

The scope of the crime is without parallel. Ten years ago, with little documentation and less assistance from fraud insiders, the SIPA Trustee and his teams investigated more than 16,500 claims, ultimately allowing more than 2,600. The SIPA Trustee’s efforts to recover stolen funds have involved more than 1,000 lawsuits, including two actions which reached the Supreme Court of the United States. Additionally, the SIPA Trustee’s international investigation and recovery of BLMIS estate assets has spanned more than 45 jurisdictions worldwide.

No funds recovered in the Madoff Recovery Initiative are used to pay costs associated with the recovery. All trustee, legal, and accounting fees, as well as administrative expenses, are paid by SIPC.

“The success of the SIPA Trustee and his teams over the past decade is exceptional, in every aspect,” said Mr. Harbeck. “SIPC has supported the Madoff Recovery Initiative every step of the way, and the recovery is, by any measure, extraordinary.”

The Tenth Customer Fund Allocation and Distribution 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). It can also be found on the SIPA Trustee’s website along with more information on the BLMIS liquidation at: www.madofftrustee.com.

Messrs. Harbeck, Picard, and Sheehan would like to thank the Securities Investor Protection Corporation’s Josephine Wang, Kevin H. Bell, and Nathanael Kelley; BakerHostetler attorneys Seanna R. Brown, Oren J. Warshavsky, Lan Hoang, Nicholas J. Cremona, Geraldine E. Ponto, Regina L. Griffin, Stacey A. Bell, Thomas L. Long, Keith R. Murphy, Melissa L. Kosack, Geoffrey A. North, Torello H. Calvani, Amy E. Vanderwal, Kathryn M. Zunno, Tatiana Markel, Brian W. Song, Esterina Giuliani, Edward J. Jacobs, Tracy L. Cole, Jorian L. Rose, Gonzalo S. Zeballos, Robertson D. Beckerlegge, Fernando A. Bohorquez, Jason S. Oliver, Jonathan B. New, Catherine E. Woltering, Farrell A. Hochmuth, Deborah H. Renner, James H. Rollinson, Benjamin D. Pergament, Eric R. Fish, Ruth E. Hartman, James A. Sherer, Patrick T. Campbell, Jessie M. Gabriel, Rachel M. Smith, Dean D. Hunt, Marie L. Carlisle, John J. Burke, Steven H. Goldberg, Jimmy Fokas, Michael R. Matthias, Brian A. Bash, Lauren J. Resnick, Carrie Longstaff, Erika K. Thomas, Brian F. Allen, Nkosi D. Shields, Jonathan D. Blattmachr, Jonathan A. Forman, Melissa M. Carvalho, Heather J. McDonald, Andrew W. Reich, Amanda E. Fein, Ganesh Krishna, Stephanie Ackerman, Shawn P. Hough, Stacy A. Dasaro, Heather Wlodek, Noah J. Goertemiller, Ross M. Gillingham, Tara E. Turner, Lindsay J. Biondo, Michelle M. Hoff, Marianne E. Hoover, Samantha A. Cardenas, Joanna F. Wasick, Marshall J. Mattera, Marco Molina, Camille C. Bent, Tara R. Chandler, Maryland H. Ubaid, Melonia A. Bennett, Robyn M. Feldstein, David W. Rice, Maxim G. Brumbach, Lauren E. Martin, Matthew E. Molony, Matthew K. Cowherd, Jena G. Goldmark, David Choi, Michael A. Sabella, Robert G. Nickodem, Francesca Perkins Austin, Peter B. Shapiro, David M. McMillan, Joshua B. Rog, Sophie Rouach, Damon C. Barhorst, Jason I. Blanchard, Frank M. Oliva, Nicholas M. Rose, Jason T. White, Daniel P. Poremski, Joshua L. Berry, Matthew D. Feil, Anat Maytal, Mackenna A. White, Damon M. Durbin, Joel D. Gottesman, Maximillian S. Shifrin, Christopher P. Gallagher, Matthew B. Friedman, Michelle N. Tanney, Andrew M. Serrao, Lauren R. Weinberg, Maria A. de Dios, Victoria L. Stork, Philip Bieler, Andres A. Munoz, Michelle R. Usitalo, Ferve E. Khan, Melissa L. Hansford, Thomas F. Howley, Joyce R. Kennedy, Nickoli X. Miguel, Anthony R. Santiago, Eric B. Hiatt, Lauren T. Attard, Rachel C. Monaghan, Csila Boga-Lofaro, Cara McGourty, Jordan A. Sinclair, Tiffany A. Miao, Kevin M. Wallace, Chloe S. Fischetti, Jean H. Shin, Elyssa S. Kates, Elizabeth G. McCurrach, Lauren M. Hilsheimer, Ian R. Cohen, Stacey M. Patrick, Molly H. Tranbaugh, Lauren P. Berglin, Panida A. Pollawit, Kendall E. Wangsgard, Nichole L. Sterling, and Bari R. Nadworny; Howard L. Simon, Kim M. Longo and their colleagues at Windels Marx Lane & Mittendorf; Vineet Sehgal, Denis O’Connor and their colleagues at AlixPartners; Matt Greenblatt, Lisa Collura and their colleagues at FTI Consulting; and other Special Counsel, who have assisted with the global Madoff Recovery Initiative in the past ten years.