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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 Josephine Wang, President and Chief Executive Officer of the Securities Investor Protection Corporation (SIPC)

MADOFF TRUSTEE REQUESTS ALLOCATION OF MORE THAN \$988 MILLION TO CUSTOMER FUND AND COURT APPROVAL TO DISTRIBUTE MORE THAN \$332 MILLION TO BLMIS CUSTOMERS WITH ALLOWED CLAIMS

Eleventh Pro Rata Interim Distribution Will Bring Aggregate Customer Payout in Global Madoff Liquidation to More Than \$13.89 Billion

NEW YORK, NEW YORK and WASHINGTON, DC – December 18, 2019 – Irving H. Picard, Securities Investor Protection Act (SIPA) Trustee for the liquidation of Bernard L. Madoff Investment Securities LLC (BLMIS), 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 \$988 million in recoveries to the BLMIS Customer Fund and an authorization for an eleventh pro rata interim distribution of more than \$332 million from the Customer Fund to BLMIS customers with allowed claims. A hearing on the motion has been scheduled for Thursday, January 9, 2020 at 10:00 a.m. EST.

“SIPC commends the SIPA Trustee and his team for their unwavering commitment to pursuing customer monies converted by Bernard Madoff,” said Josephine Wang, President and Chief Executive Officer of the Securities Investor Protection Corporation (SIPC). “Even after more than a decade, the Trustee and his team, with SIPC’s support, continues to recover significant amounts, all of which will go to BLMIS customers with allowed claims. SIPC is proud to be part of this ongoing, successful effort for the benefit of customers.”

“Our worldwide team was assembled to deliver exceptional results for the victims of Madoff’s fraud, and that is what we must continue to do,” said Mr. Picard. “Thanks to the team’s persistence and diligent work, we have restored nearly 69 percent of the money stolen through the Ponzi scheme.”

“Make no mistake, even after 11 years, we have substantial potential recoveries ahead,” said David J. Sheehan, Chief Counsel to the SIPA Trustee. “Litigation involving approximately \$3.2 billion is still at stake, and approximately 223 lawsuits remain pending in the United States, involving defendants in many jurisdictions around the world. With the support of SIPC, we will

continue pursuing these recoveries that rightfully belong to the customers of BLMIS.”

Eleventh Distribution Will Bring Total Amount Restored to More Than \$13.89 Billion

Plans for the eleventh pro rata interim distribution are the result of more than \$988 million in settlements and recoveries achieved by the SIPA Trustee and the legal teams since the last interim distribution in February 2019, most notably the \$860 million settlement agreement between the SIPA Trustee and Kingate Global Fund, Ltd. and Kingate Euro Fund, Ltd., BLMIS feeder funds incorporated in the British Virgin Islands.

When combined with the prior ten distributions, the eleventh distribution will equal 68.411 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 \$13.89 billion, including approximately \$848.199 million in advances committed by SIPC.

As of October 31, 2019, the SIPA Trustee has recovered or reached agreements to recover approximately \$14.294 billion. This recovery far exceeds any prior restitution effort related to Ponzi schemes both in terms of dollars and percentage of stolen funds recovered.

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 Eleventh 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.

Ms. Wang and Messrs. Picard and Sheehan would like to thank Seanna Brown and Heather Wlodek of BakerHostetler, who worked on the eleventh 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 Kevin H. Bell, Nathanael Kelley and their colleagues at SIPC, for their ongoing work and participation in the Madoff Recovery Initiative distributions.

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