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**Statement from the office of Irving H. Picard, SIPA Trustee for the liquidation of Bernard L. Madoff Investment Securities LLC (BLMIS)**

**Attributable to Seanna R. Brown, counsel to Irving H. Picard, SIPA Trustee for the liquidation of BLMIS**

“Today’s ruling by the Second Circuit is an important victory for Madoff victims with allowed claims who have yet to fully recover their losses from the Ponzi scheme. The Second Circuit reversed the rulings of the bankruptcy and district courts on issues relating to a transferee’s bad faith under the Bankruptcy Code. The Second Circuit reaffirmed the longstanding principle that good faith is an affirmative defense that defendants have the burden to plead. It also held that the Trustee may recover fraudulent transfers from defendants who were on notice of Madoff’s fraud. The decision preserves the Trustee’s ability to pursue \$3.75 billion of stolen customer property currently in the hands of global financial institutions, hedge funds, and other participants in the global financial markets, such as the defendants at issue here, Citibank and Legacy Capital. This ruling will impact approximately 90 of the Trustee’s remaining cases and will allow the Trustee to achieve additional significant recoveries for Madoff’s victims, bringing them as close as possible to recovering 100% of their losses.”