

Media Contacts:

Heather Wlodek, for the SIPA Trustee for the liquidation of BLMIS
(212) 589-4663
hwlodek@bakerlaw.com

Kristen McCaughan, for SIPC
(202) 276-4961
kmccaughan@mcginnandcompany.com

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 \$128 MILLION TO CUSTOMER FUND AND COURT APPROVAL TO DISTRIBUTE MORE THAN \$85 MILLION TO BLMIS CUSTOMERS WITH ALLOWED CLAIMS

Thirteenth Pro Rata Interim Distribution Will Bring Aggregate Customer Payout in Madoff Liquidation to Nearly \$14.25 Billion

NEW YORK, NEW YORK and WASHINGTON, DC – December 10, 2021 – 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 \$128 million in recoveries to the BLMIS Customer Fund and an authorization for a thirteenth pro rata interim distribution of more than \$85 million from the Customer Fund to BLMIS customers with allowed claims. A hearing on the motion has been scheduled for Wednesday, January 19, 2022 at 10:00 a.m. EST.

Plans for the thirteenth pro rata interim distribution are the result of more than \$128 million in settlements and recoveries achieved by the SIPA Trustee and the legal teams since the last interim distribution in February 2021. The proposed distribution includes the release of \$10.5 million of a general reserve of \$25 million that was previously allocated to the Customer Fund and held for unknown contingencies.

“SIPC is pleased by the continued recoveries for Madoff customers achieved through the hard work of the SIPA Trustee and his team, with the support of SIPC and its staff,” said Josephine Wang, President and Chief Executive Officer of the Securities Investor Protection Corporation (SIPC). “We look forward to additional recoveries in the future as significant court victories are won.”

“With this pending distribution we will have returned more than 70 percent of the stolen funds, far exceeding recoveries in any other case of its kind,” said Mr. Picard. “Despite Mr. Madoff’s death since our last distribution, we have remained committed to identifying and returning his stolen funds to victims of his Ponzi scheme. I thank my team led by David Sheehan for its

vigorous efforts to uncover and recover funds, and we are grateful for SIPC's continued support."

"We're proud of the success we've achieved to return more money to Madoff customers, but our work continues," said David J. Sheehan, Chief Counsel to the SIPA Trustee. "Just this year we achieved a significant victory when the Second Circuit reversed the lower courts' rulings related to bad faith, which we hope will open the door to potentially billions of dollars in additional recoveries."

Thirteenth Distribution Will Bring Total Amount Restored to Nearly \$14.25 Billion

When combined with the prior twelve distributions, the thirteenth distribution will equal 70.307 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 nearly \$14.25 billion, including approximately \$849.9 million in advances committed by SIPC.

As of October 31, 2021, the SIPA Trustee has recovered or reached agreements to recover approximately \$14.497 billion. This recovery far exceeds any prior restitution effort related to Ponzi schemes both in terms of dollars and percentage of stolen funds recovered.

The proposed distribution will be paid on claims relating to 791 BLMIS accounts and represents approximately 0.459% of their net equity claims, with an average payment amount of \$108,170.64. When combined with the previous twelve distributions and \$849.9 million in advances committed by SIPC, 1,505 accounts with an allowed claim amount of up to \$1,682,000.00 will be fully satisfied following the thirteenth interim distribution.

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 Thirteenth 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 (CGM). 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 thirteenth 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 Kenneth J. Caputo, Kevin H. Bell, Nathanael Kelley, Nicholas Hallenbeck, and their colleagues at SIPC, for their ongoing work and participation in the Madoff Recovery Initiative distributions.

###