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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) on Picard v. RAR Entrepreneurial Fund Ltd.

Attributable to Lan Hoang and Brian W. Song, counsel to Irving H. Picard, SIPA Trustee for the liquidation of BLMIS

A jury confirmed on March 7, 2022 what we have known from the time Bernard Madoff's fraud was uncovered; namely that there was never any trading by Madoff for his investment advisory customers. There were no purchases or sales of securities, or any income from securities reported for customers.

Madoff ran a pure Ponzi Scheme and funds paid out to customers came solely from the deposits made by other BLMIS customers. RAR was a partnership that invested with Madoff and, while it did nothing improper or illegal, it did withdraw more funds than it deposited. The jury's decision requires that they return these excess withdrawals to the SIPA Trustee, so they can be added to the BLMIS Customer Fund for distribution to victims with approved claims who have yet to receive back what they deposited with BLMIS.

Upon the Second Circuit's affirmation of prejudgment interest in a nearly identical case, the District Court supplemented the verdict to include prejudgment interest, with judgment entered on September 26, 2022 in favor of the SIPA Trustee and against RAR in the amount of \$12,800,065.00, plus 4 percent prejudgment interest in the amount of \$6,067,230.81, for a total sum of \$18,867,295.81.