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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 \$66 Million to Customer Fund and Court Approval to Distribute More Than \$45 Million to BLMIS Customers with Allowed Claims

Fifteenth Pro Rata Interim Distribution Will Bring Aggregate Customer Payout in Madoff Liquidation to Nearly \$14.43 Billion

NEW YORK, NEW YORK and WASHINGTON, DC – December 8, 2023 – 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 \$66 million in recoveries to the BLMIS Customer Fund and an authorization for a fifteenth pro rata interim distribution of more than \$45.23 million from the Customer Fund to BLMIS customers with allowed claims. A hearing on the motion has been scheduled for Wednesday, January 24, 2024 at 10:00 a.m. EST.

The proposed fifteenth pro rata interim distribution is the result of approximately \$49.08 million in settlements and recoveries achieved by the SIPA Trustee and the legal teams since the last interim distribution in February 2023.

“On the 15th anniversary of the uncovering of the largest Ponzi scheme in history, the SIPA Trustee and his legal team, with the support of the SIPC legal team, continue to achieve remarkable results in their efforts to recover stolen Madoff customer funds,” said Josephine Wang, President and Chief Executive Officer of the Securities Investor Protection Corporation (SIPC). “They have the full support of SIPC as well as our thanks for their commitment and accomplishments.”

“Our legal team under David Sheehan continues to achieve judicial victories on behalf of Madoff claimants with allowed claims. Their success has also encouraged other defendants to negotiate settlements to avoid the expense of litigation, which in turn permits us to return more Madoff stolen funds to their rightful owners,” said Mr. Picard. “I also would like to thank SIPC for its continued support in our recovery efforts.”

“Our Second Circuit victory in the Sage case earlier this year, as well as ongoing litigation on a number of fronts, makes us optimistic that we’re on the cusp of additional significant recoveries in

2024,” said David J. Sheehan, Chief Counsel to the SIPA Trustee. “We are proud to have recovered more stolen funds than any liquidation case of its kind, but our work is not done. The SIPA Trustee’s legal team will continue to work to ensure that feeder funds and other sophisticated financial institutions are held accountable and forced to return stolen funds.”

Fifteenth Distribution Will Bring Total Amount Restored to Nearly \$14.43 Billion

When combined with the prior fourteen distributions, the fifteenth distribution will equal 70.959% 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 approximately \$14.43 billion, including approximately \$849.9 million in advances committed by SIPC.

As of October 31, 2023, the SIPA Trustee has recovered or reached agreements to recover approximately \$14.608 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 772 BLMIS accounts and represents approximately 0.242% of their net equity claims, with an average payment amount of \$58,588.22. When combined with the previous fourteen distributions and \$849.9 million in advances committed by SIPC, 1,517 accounts with an allowed claim amount of up to \$1,707,339.85 will be fully satisfied following the fifteenth 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 Fifteenth 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 fifteenth 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 Michael Post, Kevin H. Bell, Nathanael Kelley, Nicholas Hallenbeck, and their colleagues at SIPC, for their ongoing work and participation in the Madoff Recovery Initiative distributions.

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