

Herald (Lux) Reaches Settlement Agreement with Madoff Trustee

March 6, 2015

On December 12, 2014, the liquidators for Herald (Lux) SICAV reached a settlement agreement with Irving H. Picard, Trustee for the Estate of Bernard L. Madoff Investment Securities LLC (BLMIS). The case had been placed in liquidation in a Luxembourg court in 2009. The settlement agreement would entitle Herald (Lux) to a customer claim of approximately \$230 million, representing about 90% of the net investment in BLMIS.

This agreement recognizes Herald (Lux)'s customer claim in the BLMIS estate. The diligence process commenced in March 2012 and formally ended on December 21, 2012, although extensive inquiries continued into 2013 with the majority of Herald (Lux)'s investors and shareholders.

Prior to the settlement agreement, other BLMIS customers with proven claims had each recouped about 46% of their losses. In January 2015, Herald (Lux) received an initial payment of \$106 million, representing about 46% of its own total claim. The trustee advised that additional customer payments would be dispersed in the near future.

In June 2009, Bernie Madoff was sentenced to 150 years in prison after admitting the prior year to nearly \$65 billion in fraud, representing the largest Ponzi scheme in U.S. history. Herald (Lux) was one of three Luxembourg funds affected by the Madoff fallout.

Herald (Lux)'s foreign liquidators are represented by [Brett S. Moore](#), Principal of Porzio, Bromberg & Newman, P.C.