



Madoff Victim Fund

P.O. Box 6310
Syracuse, NY 13217-6310



December, 2024

Dear Petitioner,

In this holiday season, I am delighted to enclose a check representing your share of the Madoff Victim Fund's ("MVF") tenth distribution. We are paying \$131.4 million to 23,408 victims, or an incremental 2.71% in payments. D10 brings each victim's recovery from all sources to 93.71% of his or her fraud loss. Overall, 40,930 Madoff victims in 127 countries have now received just over \$4.3 billion in assistance from MVF.

This is the tenth time that I have mailed MVF payments around the world. This is also very likely the last time I will have that opportunity. After completing this tenth distribution, MVF will have finished paying out virtually all our available assets. Therefore, in 2025 we will complete our work and "close up shop". For us, it is "mission accomplished", as we have done everything that we set out to do, and far more.

In previous letters and website updates, I have tried to provide information on what MVF was doing, and why. I thought you deserved to understand why we asked for the information that we did, and what MVF needed to do in order to be able to make over \$4.3 billion in payments to 41,000 people. I won't repeat those descriptions again. However, looking back at the inception of this effort, what we have been able to achieve amazes me.

When the U.S. Department of Justice ("DOJ") first asked me to serve as Special Master for MVF, *no one* knew how many indirect investors had been victimized in the fraud, or how much money had been stolen from them. Even worse, many people seemed to have accepted that somehow only "direct" investors could be paid, even though that involved leaving recoveries for tens of thousands of victims entirely to chance. We knew nearly 11,000 indirect investor claims had been denied in bankruptcy, but we suspected there might be many more.

Since every investor's money was stolen in the fraud no matter how their money reached Madoff, MVF wanted to find a way to provide help for every investor whose own money had been lost in the fraud and who didn't have an alternate source of help. Happily the United States has laws providing that the assets of persons who participated in a crime can be forfeited to the U.S. for use in repaying victims of the crime. The forfeiture laws did not impose any arbitrary limits on who could be paid. The DOJ used those laws vigorously to recover funds that we could use to pay victims.

MVF received over 65,000 petitions for assistance covering roughly a half million separate investment transactions and claimed losses of \$80 billion. These petitions included over four million pages of account statements, trade confirmations, copies of wires and other documents to verify each person's loss. If we had accepted all claims of loss, our payouts might not have exceeded \$0.03 for each dollar lost. However, DOJ won additional assets for MVF, and we were successful in tracing and measuring the cash that was invested and withdrawn.

The Madoff case likely represents the most complicated financial detective work ever done. We recommended 42,735 petitions to DOJ, which were all approved. We also reduced loss on claims to roughly \$10.7 billion for victims we were paying. Paying too much to one person inevitably means paying less to everyone else. So, we worked hard to make sure that we got to the correct loss valuations under our governing law.

Doing our detective work involved over 820,000 calls and emails between MVF personnel and victims as we traced investments that were routed to Madoff through over 1,200 entities. We also mailed over one million notices, collateral recovery updates and other documents to petitioners as part of the loss verification process. That work was justified when we were able to send over 246,000 payments to 40,930 victims of this horrible event over ten distributions.

I want to thank all of you who over the years sent letters, notes, cards or emails conveying thanks and encouragement. Those messages provided continuing motivation for what we were trying to do, and helped remind everyone involved that we were dealing with real people, not just numbers or legal documents. I hope that you are pleased with the help MVF was able to provide to you, though undoubtedly some victims may also feel unsatisfied. However, MVF is confident that we have paid our victims the highest recovery we could achieve with the resources available.

Speaking for all my colleagues, we have been proud to represent the United States of America in attempting to overcome the devastation these crimes inflicted on so many innocent people. We have been dedicated to helping repair decency and the rule of law after the severe damage that was inflicted. We hope that the world will not soon forget what was done to the Madoff victims, as that memory will help prevent such an event in the future.

On behalf of all my colleagues I wish you and your families health, happiness and liberty in all the years to come.

With all best wishes,



Richard C. Breeden
Special Master

**PLEASE CASH YOUR CHECK PROMPTLY – IT
EXPIRES IN 180 DAYS**

The tax treatment of this distribution payment is your responsibility. Please consult your tax advisor for advice regarding the proper treatment of this distribution payment.

For U.S. taxpayers, this distribution constitutes a partial return of principal as compensation for the financial losses you sustained in the fraud committed at Madoff Securities. The tax consequences of this distribution may vary depending on your individual circumstances and whether you claimed a theft loss deduction in accordance with IRS Rev. Proc. 2009-20. Every recipient should consult your tax advisor regarding whether this distribution constitutes a reportable payment. Please note that the Department of Justice and the Special Master cannot provide tax advice to victims. **THE MATERIAL CONTAINED HEREIN IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT AND SHOULD NOT BE RELIED UPON AS TAX ADVICE.**