



Madoff Victim Fund

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



ClaimantName
ClaimantAddress
ClaimantCityStateZip
ClaimantCountry

Claim Number: ClaimNumber

June 8, 2021

NOTICE REGARDING LUXEMBOURG INVESTMENT FUND CLAIMS

Dear MVF Petitioner:

This notice contains important information regarding your claim to the Madoff Victim Fund (“MVF”) to recover losses from your investments in Luxembourg Investment Fund (“LIF”).

Applicable federal regulations and the MVF Distribution Plan require that the verified fraud losses of all victims must be reduced by actual recoveries, as well as by recoveries that were reasonably available from any other source, even if not actually received. *See* 28 C.F.R. § 9.8 (b)(5); *see also* MVF Frequently Asked Questions (“FAQ”) #13, available at <http://www.madoffvictimfund.com/frequently-asked-questions>. This adjustment to fraud loss is necessary to avoid duplication of payments and potential overpayment of claims. MVF petitions are not complete without full and accurate disclosure of these recovery amounts.

MVF distributions in 2017 and 2018 brought most LIF investors with approved claims to a 40 percent overall recovery on their fraud losses. Further MVF distributions, however, were placed on hold because of uncertainty regarding future recoveries created by ongoing litigation between LIF and the Madoff bankruptcy estate (“MBE”). When that litigation is resolved, LIF investors may share in MBE recoveries. Until that occurs, however, the amount of LIF’s MBE recoveries and those of its investors will remain unknown. Consequently, the petitions of all LIF investors remain incomplete.

The ongoing maintenance of reserves by MVF for possible future payments to LIF investors delays additional payments to other victims who have provided complete and accurate collateral recovery information to the MVF. As a result, the Department has directed MVF to take the following actions that will affect your petition to MVF:

- MVF will bring all LIF investors with approved petitions to a total recovery from all sources of 40 percent of their LIF fraud loss, and indeed MVF has already brought most LIF investors to this recovery level.
- LIF investors with approved petitions will receive no further MVF recoveries on their LIF losses, beyond those described above. MVF may make additional payments to LIF investors for their ***non-LIF fraud losses***, if any. This determination is effective immediately, and it will not be affected by any future developments in the litigation between LIF and the MBE.

You do not need to respond to this notice. However, if you are eligible for a payment to bring recovery of your LIF loss to 40 percent, or if you have other Madoff investments not related to LIF, you will receive a collateral recovery update notice from MVF. As with all other victims receiving MVF payments, you must complete and return that collateral recovery update before you can receive any additional recoveries from MVF.

Sincerely,

Richard C. Breeden
Special Master, Madoff Victim Fund