

## 2013 Year in Review



The appointment of a Conservator commenced on January 17, 2013. As a result of the appointment of the Conservator, the following highlights the activities through the 2013 year:

- With the Courts permission, the first distribution to S&P General Partnership (S&P), P&S General Partnership (P&S), SPJ Investments LTD., and Guardian Angel Trust, LLC has been made.
- The court has ruled that the Net Winner Method (Net Investments less distributions received) is the method to use to calculate each partners equity. Essentially, since the partnership received the Madoff Funds from Trustee Picard in the New Winner method, it is the best method to follow for the partnerships.
- Since the Net Winner Method is used, multiple lawsuits that have been filed on Net Winners, those who received greater than what they invested in distributions, will continue. These lawsuits have already yielded hundreds of thousands of dollars that have been added to the partnership account(s) and the confidence is high that more money will continue to be recovered.
- Lawsuits continue against those who may have received kickback monies from partners who invested. Discussions on multiple levels continue, thus attempting to bring suits to a quick resolution.
- Trustee Picard will be making additional distributions which will allow the Conservator to make further distributions to the partners, however the timing is unknown.
- A Madoff Victims Fund has been set up by the Securities and Exchange Commission (SEC) as another source of revenue. As instructed by the Court, the Conservator will be filing claim forms for each individual partner. The Conservator has all the detail required to fill out the claims for S&P, P&S, and SPJ Investment. A claim will be filed for Guardian Angel partners but only with the limited data that the Conservator has.
- Guardian Angel & SPJ partners: The court has ruled that distributions to these partners will come from the Conservator. For those partners with IRA accounts, a third party administrator contact is needed by the Conservator. If a distribution is sent directly to these IRA account holders there will be tax consequences to deal with.

In closing, I want to thank you for your continued patience. With recent activities in the new Madoff Victims Fund along with funds that the Madoff Trustee has and recent court rulings, more distributions should be forthcoming in 2014.