



CASE STUDY

Madoff Ponzi Scheme: 10 Years Later

Securities Investor Protection Corporation (SIPC)

FTI Consulting's unprecedented recovery highlighted on 10th anniversary of Madoff Ponzi Scheme

“At the start of this recovery initiative nearly 10 years ago, conventional wisdom said we would only be able to recover pennies on the dollar . . . However, our teams spread out across the globe, and with unrelenting determination and the support of the Securities Investor Protection Corporation, have recovered a sum that once seemed out-of-reach and, most importantly, restored stolen funds to their rightful owners.”

— IRVING PICARD, Trustee
Securities Investor Protection Corporation

SITUATION

The world learned 10 years ago about Bernard Madoff's unprecedented fraud, a global Ponzi scheme that spanned decades and defrauded thousands of investors of approximately USD\$20 billion.

FTI Consulting was retained by SIPC Trustee Irving Picard in December of 2008 to help track down the ill-gotten funds. Over the last 10 years, nearly 400 FTI Consulting professionals from around the world have worked with the Trustee to investigate and recover assets from more than 45 jurisdictions worldwide. FTI Consulting reconstructed books and records, determined amounts deposited and withdrawn from thousands of customer accounts, and analyzed hundreds of millions of transactions.



OUR ROLE

During the first few years of FTI Consulting's engagement, more than 120 professionals across the Forensic & Litigation Consulting, Technology, and Corporate Finance & Restructuring segments worked out of Madoff's infamous offices reconstructing books and records dating back to the 1970s to determine the amounts deposited and withdrawn from thousands of investor accounts. The Trustee and his teams investigated more than 16,500 claims, ultimately allowing more than 2,600.

Since 2011, FTI Consulting's role has been that of litigation support for more than 1,000 lawsuits – including two actions which reached the Supreme Court of the United States – as both expert witnesses and assisting counsel with discovery, trial services and management of evidence. FTI Consulting also supported the Trustee by identifying additional indications of fraud relevant to recovery initiatives being pursued.

OUR IMPACT

\$13.3B Recovered

RECORD-BREAKING RECOVERY

To date, more than USD\$13.3 billion, representing over 75 percent of the stolen funds, has been recovered through the Madoff Recovery Initiative.

The recoveries far exceed similar efforts related to prior Ponzi schemes both in terms of dollar value and percentage of stolen funds recovered.

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