Statement by the liquidators dated 5 July 2018

By judgements dated 28 June 2018 and 5 July 2018, the Luxembourg District Court has decided:

1) to authorise the liquidators to make a first distribution to the shareholders of Herald(Lux) of 67.8 % of the total net loss of Herald(Lux), i.e. USD 255.600.000. Hence the amount to be allocated for the first distribution is USD 173.296.800.

2) that distribution payments will be made in USD only to the registered shareholders in pro rata to the number of shares held by them in Herald (Lux).

3) that distribution payments are to be made to Luxembourg bank accounts only.

4) that for the calculation of the pro rata amounts to be allocated to the shareholders, the liquidators shall deduct from the total number of shares issued by Herald (Lux) the shares that are not eligible for distribution payments in execution of the Luxembourg settlement agreement signed on 31 May 2017. This will increase the recovery percentage of this first distribution payment against the total net loss to 70.0 % per share.

The amount allocated per share in the first distribution payment is USD 874,96.

Following this first distribution, the assets held by Herald (Lux) are an allowed claim in the BLMIS estate for a residual amount of USD 83.035.238,40 as well as cash balances of USD 8.700.000 plus. The liquidators expect to make additional distributions following further interim distributions to be eventually made by the Trustee of the BLMIS estate.

The liquidators will now proceed with the implementation of the aforementioned judgement. Subsequent to that, the liquidators will contact the shareholders in respect of an eventual sale of the remaining BLMIS claim.

As a reminder, as of June 2018, the Trustee of the BLMIS estate has recovered more than 73 % of the estimated Madoff fall-out of USD 17.5 billion in principal (http://www.madofftrustee.com/) and Herald (Lux) has received from the BLMIS estate post 9th interim distribution 63,904 % of the allowed claim amount.