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Presentment Date: June 28, 2013
Time: 12:00 p.m.

Objections Due: June 28, 2013
Time: 11:00 a.m.

*Attorneys for Irving H. Picard, Esq.,
Trustee for the Substantively Consolidated
SIPA Liquidation of Bernard L. Madoff
Investment Securities LLC and Bernard L.
Madoff*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

SECURITIES INVESTOR PROTECTION
CORPORATION,

Plaintiff-Applicant,

v.

BERNARD L. MADOFF INVESTMENT
SECURITIES LLC,

Defendant.

Adv. Pro. No. 08-1789 (BRL)

SIPA Liquidation

(Substantively Consolidated)

In re:

BERNARD L. MADOFF,

Debtor.

**TRUSTEE'S MOTION FOR AN ORDER PURSUANT TO SECTION 78fff(a)
OF THE SECURITIES INVESTOR PROTECTION ACT AND SECTIONS
363 AND 105(a) OF THE BANKRUPTCY CODE AUTHORIZING THE SALE OF
ESTATE PROPERTY**

Irving H. Picard (the "Trustee"), as trustee for the substantively consolidated liquidation of Bernard L. Madoff Investment Securities LLC ("BLMIS") under the Securities Investor Protection Act, 15 U.S.C. §§ 78aaa, *et seq.* ("SIPA"),¹ and Bernard L. Madoff ("Madoff" and together with BLMIS, the "Debtors"), by and through his undersigned counsel, for his motion (the "Motion") for entry of an order, pursuant to section 78fff(a) of SIPA and sections 363 and 105(a) of the United States Bankruptcy Code, 11 U.S.C. §§ 101 *et seq.* (the "Bankruptcy Code"), authorizing the Trustee to retain auctioneers to sell certain artwork owned by BLMIS or Madoff and previously displayed in the BLMIS offices, as further described below, respectfully represents as follows:

JURISDICTION AND VENUE

1. This Court has jurisdiction over the Motion pursuant to section 78eee(b)(4) of SIPA and the order (the "Protective Decree") entered on December 15, 2008 by the Honorable Louis L. Stanton, United States District Judge, United States District Court for the Southern District of New York in Case No. 08 CV 10791, and 28 U.S.C. §§ 157 and 1334. [ECF No. 4] Venue is proper in this district pursuant to section 78eee(b)(4) of SIPA and 28 U.S.C. §§ 1408 and 1409. The statutory predicates for the relief sought herein are sections 78fff(a) of SIPA, sections 363 and 105(a) of the Bankruptcy Code and Rules 2002 and 6004 of the Federal Rules of Bankruptcy Procedure.

BACKGROUND

2. As is well known, on December 11, 2008, Madoff was arrested by the FBI in his Manhattan home and was criminally charged with a multi-billion dollar securities fraud scheme

in violation of section 10(b)(5) of the Securities Exchange Act and § 78j(b) of SIPA in the United States District Court for the Southern District of New York (“District Court”), captioned *United States v. Madoff*, No. 08-MAG-2735 (S.D.N.Y. filed Dec. 11, 2008). Also on December 11, 2008, the Securities and Exchange Commission (“SEC”) filed a complaint in the District Court against Madoff and BLMIS. *Sec. Exch. Comm’n v. Madoff*, No. 08-10791 (S.D.N.Y. Dec. 11, 2008) (the “SEC Action”).

3. On December 15, 2008, pursuant to § 78eee(a)(4)(A) of SIPA, the SEC consented to a combination of the SEC Action with an application of the Securities Investor Protection Corporation (“SIPC”). Thereafter, pursuant to § 78eee(a)(3) of SIPA, SIPC filed an application in the District Court alleging, *inter alia*, that BLMIS was not able to meet its obligations to securities customers as they came due and, accordingly, its customers needed the protections afforded by SIPA.

4. On that date, the District Court entered a protective decree, to which BLMIS consented, which, in pertinent part: (i) appointed the Trustee for the liquidation of the business of BLMIS pursuant to § 78eee(b)(3) of SIPA; (ii) appointed Baker & Hostetler LLP as counsel to the Trustee pursuant to § 78eee(b)(3) of SIPA; and (iii) removed the case to the Bankruptcy Court pursuant to § 78eee(b)(4) of SIPA.

5. On March 12, 2009, Madoff pleaded guilty to an eleven-count criminal information. At the March 12, 2009 plea hearing, Madoff admitted that he “operated a Ponzi scheme through the investment advisory side of [BLMIS].” *See* Plea Hearing Transcript at 23:14–17, *United States v. Madoff*, No. 09-CR-213(DC) (S.D.N.Y. Mar. 12, 2009). On June 29, 2009, Madoff was sentenced to 150 years in prison for his crimes.

¹ For convenience, future reference to SIPA will not include “15 U.S.C.”

6. In accordance with his statutory responsibilities, the Trustee has marshaled the assets of BLMIS and has been liquidating BLMIS's assets for the benefit of the estate's customers and creditors.

7. As part of this process, the Trustee has determined that it is now appropriate to sell certain art work, prints, posters and carpets (collectively, the "Artwork") owned by BLMIS or Madoff which were previously either displayed in the BLMIS offices in the Lipstick Building at 885 Third Avenue or at BLMIS's back-up office at the Bulova Centre in Queens or were in storage at the BLMIS warehouse in Long Island City. The Artwork includes pieces by Jasper Johns, Roy Lichtenstein, Andy Warhol and Henri Matisse and is insured at a value in excess of \$575,000. A description of the Artwork is found on Exhibit A attached hereto.²

8. Shortly after the commencement of the BLMIS liquidation, and in accordance with section 78fff-1(a)(1) of SIPA, the Trustee retained Helen D. Lally as an art consultant (the "Consultant") with SIPC's approval.

9. The Consultant catalogued the Artwork and coordinated the appropriate storage thereof. The Artwork has been in climate-controlled storage since June of 2009 with Cirkers Fine Art Storage and Logistics, a fine art storage facility located in Manhattan. The Trustee obtained and has maintained insurance on the Artwork since the commencement of the case. The Artwork is currently generating no revenue and is burdening the estate with expenses associated with storage fees and insurance fees which total approximately \$16,000 per year.

10. Since her retention, the Consultant has monitored the market for sales of pieces similar to those comprising the Artwork to determine the best time and method for the liquidation of the Artwork. With respect to timing, the Consultant has advised the Trustee that

² There is a small group of additional items not listed on Exhibit A currently stored at the warehouse in Long Island City. These pieces, primarily prints and posters, are of relatively little value but will also be included in the proposed sales.

the art market, like the economy generally, has recently improved. Specifically, spring sales for comparable artwork were quite strong. The Consultant has therefore recommended that the Artwork be offered for sale at auction this year at the fall sales, which occur in October and November.

11. The Trustee, with the assistance of the Consultant, has investigated various methods for the disposition of the Artwork and initiated discussions with several auction houses to gauge interest in selling the Artwork. Given the varied nature of the pieces involved, the Consultant has advised that utilizing more than one auction house will maximize the potential return on the Artwork. After soliciting and evaluating proposals from several auction houses, the Consultant has recommended that the Artwork be auctioned by Sotheby's and by Stair Galleries, located in Hudson, New York ("Stair"). Stair is a full-service auction house, selling a wide range of paintings and decorative arts. They have been in business since 2001 and have sold over \$50 million in art since their inception. Their sales are promoted through printed catalogues, advertisements in general and trade publications and through e-mail and their client base includes collectors, decorators and dealers. Sotheby's has agreed to sell the majority of the pieces with the remainder, including the posters, carpets and certain decorative items, to be auctioned by Stair. Stair auctions of certain items may occur prior to the fall sales.

12. In order to meet the deadline for the fall art sales, the Artwork will need to be delivered to the auction houses no later than July 31, 2013 to allow them to catalogue the pieces and prepare them for auction.

13. It is possible that certain pieces will not sell at the auctions or will be pulled prior to the auction if it is determined that it would be appropriate to sell such items at a later time. If necessary, any such items would be auctioned at subsequent sales, including at the spring 2014 art sales which will occur in May.

14. The Trustee will negotiate the fees that will be incurred in connection with the sale in an effort to minimize costs. However, in accordance with SIPA, BLMIS will be credited with the gross proceeds of the sales, notwithstanding any costs incurred for the payment of commission, transportation fees, storage fees, insurance, and fees associated with inclusion in the auction catalogues. While there will be storage and insurance costs for the short period of time between delivery of the Artwork to the auction houses and the auctions, the rates charged by the auction houses are lower than those currently being incurred.

RELIEF REQUESTED

15. The Trustee requests entry of an Order, substantially in the form of Exhibit B attached hereto, authorizing the Trustee to (i) retain Sotheby's and Stair to store the Artwork and sell it at auction (ii) coordinate the later sale of pieces not sold at the Fall sales without seeking further leave of the Court, and (iii) to execute any necessary documents to implement the foregoing.

BASIS FOR RELIEF REQUESTED

A. SIPA requires the liquidation of the Debtors' business.

16. Section 78fff(a) of SIPA outlines the purposes of a SIPA liquidation and provides in relevant part that: "[t]he purposes of a liquidation proceeding under this chapter shall be . . . (4) to liquidate the business of the debtor." Thus, the Trustee has an affirmative duty to liquidate the property and wind-down the business operations of the Debtors, including the sale of the Artwork.

17. Pursuant to section 78fff-1(a)(1), SIPC has approved the Trustee's retention of the auction houses and is in favor of the sale of the Artwork. The U.S. Attorney's Office for the Southern District of New York has not objected to the proposed sales.

B. The sale of the Artwork is in accordance with sections 363 and 105 of the Bankruptcy Code and should be authorized.

18. Sections 363 and 105 of the Bankruptcy Code apply to liquidations under SIPA. *See* § 78fff(b) (“a liquidation proceeding shall be conducted in accordance with, and as though it were being conducted under chapters 1, 3, and 5 and subchapters I and II of chapter 7 of title 11.”). Section 363 permits a trustee to “use, sell or lease, other than in the ordinary course of business, property of the estate” 11 U.S.C. § 363(b). Section 105(a) of the Bankruptcy Code authorizes the court to enter any order necessary or appropriate to carry out the provisions of the Code. 11 U.S.C. § 105(a).

19. The Trustee submits that ample authority exists for the Court’s approval of the retention of Sotheby’s and Stair, and the sale of the Artwork pursuant to sections 363 and 105 of the Bankruptcy Code, and such sale should be authorized by this Court. While Section 363(b) is devoid of any standards to be applied to a trustee’s request to sell assets, a wide body of case law has evolved containing the judicial standards governing sales of assets.

20. In *In re Lionel Corp.*, 722 F.2d 1063 (2d Cir. 1983), the Second Circuit determined that a sale of assets could be approved if the debtor could demonstrate an “articulated business justification” for the sale. *Id.* at 1070; *see also*, *In re Iridium Operating LLC*, 478 F.3d 452, 466 (2d Cir.2007); *In re General Motors Corp.*, 407 B.R. 463, 490 (Bankr. S.D.N.Y. 2009); *In re Thomson McKinnon Sec., Inc.*, 120 B.R. 301 (Bankr. S.D.N.Y. 1990); *In re Channel One Commc’ns*, 117 B.R. 493 (Bankr. E.D. Mo. 1990).

21. Under the business judgment rule, courts give deference to a debtor’s reasonable business decision and should not interfere absent a showing of bad faith, self-interest, or negligence. *In re Grubb & Ellis Co. et al.*, No. 12 Civ. 10685, 2012 WL 1036071, at *4 (Bankr. S.D.N.Y. Mar. 27, 2012); *In re Global Crossing Ltd.*, 295 B.R. 726, 743–44 (Bankr. S.D.N.Y.

2003). A debtor satisfies this standard if it acts on an informed basis, in good faith, and in the honest belief that the proposed action is in the best interest of the company. *In re Integrated Res., Inc.*, 147 B.R. 650, 656 (S.D.N.Y. 1992); *In re Global Crossing Ltd.*, 295 B.R. at 743–44.

22. In addition to requiring sound business reasons to approve a sale pursuant to section 363(b) of the Bankruptcy Code, many courts have required a showing that the price to be obtained for the assets be fair and reasonable and the sale to the proposed purchaser was negotiated in good faith. *In re MF Global Inc.*, 467 B.R. at 730. If a valid business justification exists there is a strong presumption these conditions are satisfied. *Id.*

23. The Trustee has determined, in accordance with his sound business judgment, that the retention of Sotheby's and Stair to facilitate the sale of the Artwork will allow the Trustee to maximize the value obtained therefor and will increase the assets of the estate available for distribution to customers. The Consultant, after an evaluation of the available options, has determined that each auction house selected has the ability to expose the Artwork to an appropriately broad market.

24. The auction process will allow the Trustee to obtain the best possible value for the Artwork as the competitive bidding process provides assurance that the highest and best offer for the Artwork is received from a good faith purchaser. The Trustee believes that the auctions will encourage participation by a wide range of bidders and expose the Artwork to a broad and competitive market.

25. Finally, courts often require that "fair and accurate notice" be given of the proposed sale under section 363(b) of the Bankruptcy Code. *See, e.g., In re MF Global Inc.*, 467 B.R. at 730; *In re Delaware & Hudson Ry.*, 124 B.R. at 176; *Channel One*, 117 B.R. at 496. Fair and accurate notice should inform all interested parties of the liquidation of the debtor's business, disclose accurately the terms of the sale, explain the effect of the sale upon the debtor's

business, and explain why the sale is in the best interests of the debtor's estate. *Delaware & Hudson*, 124 B.R. at 180.

26. The Trustee submits that the notice given herein has sufficiently alerted parties in interest to the contemplated sale.

NOTICE

27. Notice of this Motion will be provided by U.S. mail, postage prepaid, or email to: (i) SIPC; (ii) the SEC; (iii) the Internal Revenue Service and; (iv) the United States Attorney's Office for the Southern District of New York. The Trustee shall also serve, via the ECF filing that will be made, each person or entity that has filed a notice of appearance in this case. The Trustee submits that no other or further notice need be given.

WHEREFORE, the Trustee respectfully requests that the Court (a) enter an order substantially in the form attached hereto as Exhibit B, granting the relief requested herein; and (b) grant such other and further relief to the Trustee as the Court deems proper.

Dated: New York, New York
June 21, 2013

/s/ Amy Vanderwal
Baker & Hostetler LLP
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New York, New York 10111
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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

SECURITIES INVESTOR PROTECTION
CORPORATION,

Plaintiff-Applicant,

v.

BERNARD L. MADOFF INVESTMENT
SECURITIES LLC,

Defendant.

Adv. Pro. No. 08-1789 (BRL)

SIPA Liquidation
(Substantively Consolidated)

In re:

BERNARD L. MADOFF,

Debtor.

**NOTICE OF PRESENTMENT OF MOTION FOR AN ORDER PURSUANT TO
SECTION 78fff(a) OF THE SECURITIES INVESTOR PROTECTION ACT AND
SECTIONS 363 AND 105(a) OF THE BANKRUPTCY CODE AUTHORIZING THE
SALE OF ESTATE PROPERTY**

PLEASE TAKE NOTICE that, pursuant to Sections 363 and 105(a) of the United States
Bankruptcy Code, 11 U.S.C. §§ 101 *et seq.* and section 78fff(a) of the Securities Protection

Investor Act, 15 U.S.C. §§ 78aaa, *et seq.* (“SIPA”), Irving H. Picard, trustee (the “Trustee”) for the substantively consolidated liquidation of Bernard L. Madoff Investment Securities LLC (“BLMIS”) under SIPA and Bernard L. Madoff, through his undersigned counsel, will present the attached proposed order (the “Order”) to the Honorable Burton R. Lifland, United States Bankruptcy Judge, for signature and entry on **June 28, 2013, at 12:00 p.m.**

PLEASE TAKE FURTHER NOTICE that objections, if any, to the proposed Order (“Objections”), shall (i) be in writing; (ii) conform to the Federal Rules of Bankruptcy Procedure, Local Bankruptcy Rules and General Orders; (iii) specify the name of the objecting party and state with specificity the basis of the Objection(s) and the specific grounds therefor; (iv) be filed in accordance with the electronic filing procedures for the United States Bankruptcy Court for the Southern District of New York, with a proof of service, and a courtesy copy delivered to the Chambers of the Honorable Burton R. Lifland, One Bowling Green New York, New York 10004; and (v) be served upon (a) Baker & Hostetler LLP, Counsel for the Trustee, 45 Rockefeller Plaza, New York, New York 10111, Attn: David Sheehan and Amy Vanderwal, and (b) the Securities Investor Protection Corporation, 805 Fifteenth Street, NW, Suite 800, Washington, DC 20005, Attn: Kevin H. Bell, Esq., so as to be received no later than **11:00 a.m. on June 28, 2013.**

PLEASE TAKE FURTHER NOTICE that in the event any Objections are timely served and filed, a hearing may be held before the Honorable Burton R. Lifland, United States Bankruptcy Judge, at a date to be scheduled by the Court, upon such additional notice as the Court may direct. The moving and objecting parties are required to attend the hearing, and failure to attend in person or by counsel may result in relief being granted or denied upon default.

PLEASE TAKE FURTHER NOTICE that unless Objections are timely served and filed, the proposed Order may be signed without a hearing.

Any objections must specifically state the interest that the objecting party has in these proceedings and the specific basis of any objection to the Motion.

Dated: New York, New York
June 21, 2013

By: /s/ Amy Vanderwal
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Investment Securities LLC and Bernard L. Madoff*

EXHIBIT A

Property from BLMIS at Cirker Hayes

- 1 JOSEF ALBERS
Homage to the Square - I-SCL
Color silkscreen, 1969, signed, dated, titled
and numbered 46/125
13 x 13 inches
- 2 JOHN BALDESSARI
Two Sets (One with Bench)
Phtogreveur with color aquatint and screenprint,
1989-1990, signed and annotated *PP3/5*, aside from
the edition of 45
45 x 27 1/2 inches
- 3 JENNIFER BARTLETT
Rhapsody: House, Trees, Beach, Birds
Four sugarlift aquatints with drypoint over photo-
etchings in color, 1985, from the edition of 100
Each: 12 x 12 inchs
- 4 ROSA BONHEUR
Taureau Beuglant
Inscribed with signature and stamped with the
foundry mark *Peyrol*
Bronze, brown patina
Height 6 inches; length 8 inches
- 5 CHRISTO
Wrapped Building: Project for # 1 Times Square,
Allied Chemical Tower, New York City
Color lithograph with collage, 1991, signed and
numbered 119/125
40 x 25 inches
- 6 ROBERT COTTINGHAM
Fleishman 1981
Oil on canvas
48 x 72 inches
- 7 RICHARD DIEBENKORN
Two Way II
Color aquatint, drypoint and ink transfer, 1982,
signed and numbered AP 10 (aside from the edition
of 40)
23 1/2 x 14 3/4 inches
- 8 RAOUL DUFY
Au Port
Color lithograph, 1940, signed and numbered 158/200
18 1/2 x 25 1/2 inches

Property from BLMIS at Cirker Hayes

- 9 DAVID HOCKNEY
Hotel Acatlan: First Day
Color lithograph on two sheets, 1985, signed, dated
and numbered 29/70
Each sheet 28 x 36 1/2 inches
- 10 JASPER JOHNS
1st Etchings
The set of six etchings and six photo-engravings,
1967, each print signed, dated and numbered 13/26
Each sheet: 25 3/4 x 20 inches
- 11 JASPER JOHNS
Ale Can
Intaglio on tan paper, mounted on a larger sheet,
numbered 23/26, signed, inscribed and dated on the
mount, title page for 1st Etchings, 1967-68
5 x 8 3/8 inches
- 12 JASPER JOHNS
0 Through 9
Color lithograph, 1978, signed, dated, and
numbered 52/60
5 3/4 x 4 3/4 inches
- 13 ELLSWORTH KELLY
Color Paper Image XIV (Yellow Curve)
Colored and pressed paper pulp, 1976, signed and
numbered 4/24
32 1/2 x 31 inches
- 14 ELLSWORTH KELLY
Untitled
Screenprint, 1973, from Works by Artists in the
Collection for Stockholm, signed with initials and
numbered 183/300
12 x 9 inches
- 15 SOL LEWITT
Wall Piece (Sixteen Modules High)
Black painted wood, from an edition of 9
76 1/2 x 5 1/4 x 5 1/4 inches
- 16 ROY LICHTENSTEIN
Bull Profile Series: I - VI
The complete set of six color linocuts with lithography
and silkscreen, 1973, each signed, dated and
numbered 31/100
Each 27 x 34 3/4 inches

Property from BLMIS at Cirker Hayes

- 17 ROY LICHTENSTEIN
On
Etching, 1962, signed, dated and numbered 38/60
5 3/4 x 4 1/4 inches
- 18 RENE MAGRITTE
Les Travaux d'Alexandre
Etching, 1962, signed, dated and numbered XV/XXV
4 3/8 x 5 1/2 inches
- 19 BRICE MARDEN
Untitled
Etching, 1973, from Adriatics series, signed, dated
and annotated *AP4* (aside from the edition of 35)
23 1/2 x 27 1/2 inches
- 20 HENRI MATISSE
Tete de Femme 1952
Signed with initials
Crayon on paper
11 1/2 x 9 inches
- 21 ROBERT MOTHERWELL
London Series I: Red
Color silkscreen, 1971, from London I series,
signed and numbered 36/150
40 1/4 x 28 inches
- 22 LOUISE NEVELSON
Dawn's Presence
Cast paper relief, 1976, signed, dated and
numbered 49/75
32 x 21 1/4 inches
- 23 CLAES OLDENBURG
Soft Screw
Cast elastometric urethane multiple, 1976,
signed, titled, dated and numbered 15/24
Overall height 47 inches, width 14 inches
- 24 PABLO PICASSO
Le Taureau Noir
Lithograph, 1947, signed and numbered 18/50
19 1/4 x 25 5/8 inches
- 25 ROBERT RAUSCHENBERG
Untitled (for Anthology Film Archives)
Color screenprint, 1982, signed, dated and
annotated *AP 11/13* (aside from edition of 75)
28 1/2 x 21 1/2 inches

Property from BLMIS at Cirker Hayes

- 26 ROBERT RAUSCHENBERG
For Channel 13
Color offset lithograph and screenprint, 1990,
signed, dated and numbered 86/100
45 1/2 x 60 inches
- 27 LARRY RIVERS
On the Phone (Large)
Color silkscreen, 1982, signed, dated and
numbered 50/52
32 x 48 inches
- 28 JAMES ROSENQUIST
Woman in the Sun
Color lithograph, 1991, signed, dated and
numbered 30/60
31 1/4 x 42 inches
- 29 JOEL SHAPIRO
Untitled - Blue on Black
Color silkscreen, 1996, signed, dated and
numbered 81/108
39 x 29 inches
- 30 FRANK STELLA
Furg (Stage II)
Color offset lithograph and silkscreen, 1975, signed,
dated and numbered AP 23 (aside from the
edition of 100)
17 x 22 inches
- 31 DONALD SULTAN
Apples and Oranges
Color screenprint, 1987, signed, dated and
numbered 65/100
12 x 12 inches
- 32 CY TWOMBLY
Natural History Part I: Mushrooms Plate X
Mixed media lithograph in color with hand additions,
1974, signed and numbered 87/98
29 1/2 x 21 3/4 inches
- 33 CY TWOMBLY
Untitled
Color offset lithograph, 1971 signed and dated verso,
from a total edition of 125
27 x 34 inches

Property from BLMIS at Cirker Hayes

- 34 ANDY WARHOL
S & H Greenstamps
Color offset lithograph, 1965, signed verso and
numbered from the edition of approximately 300
23 x 22 1/2 inches
- 35 ANDY WARHOL
Chicken and Dumplings
Color silkscreen, 1969, signed verso, from an
edition of 250
35 x 23 inches
- 36 ORIENTAL CARPET
In 18th floor elevator lobby
98 x 155 inches
- 37 ORIENTAL CARPET
In 19th floor elevator lobby
96 x 153 inches
- 38 AMERICAN SCHOOL, 20th Century
Lipstick Cafe
Gelatin silver print
6 7/8 x 11 inches
- 39 HALLIE COHEN
Untitled
Color monoprint, 1982, signed and dated
23 x 17 inches
- 40 FRENCH SCHOOL, 20th Century
Study for a Poster
Color lithograph
8 3/4 x 11 5/8 inches
- 41 CHUCK FRENCH (?)
Banking on New York
Color silkscreen, signed and numbered 52/75
22 x 10 inches
- 42 HANS HOFMANN
Untitled
Color silkscreen with hand-coloring, 1969, signed,
dated and numbered 11/50
12 3/4 x 12 inches
- 43 NANCY G. IDDINGS
Beaver 1986
Color photograph
18 x 33 1/4 inches

Property from BLMIS at Cirker Hayes

- 44 DAVID KAPP
Untitled (Cityscape) 1983
Oil stick on paper
33 3/4 x 41 5/8 inches
- 45 ROGER KELLY
Ship 1966
Oil on two panels of canvas
Each panel: 10 1/4 x 90 3/8 inches
- 46 TONY KING
Aesop 5
Color silkscreen, 1978, signed, dated and numbered
16/64
21 3/4 x 20 3/4 inches
- 47 PEGGY MACH
Point of View
Inscribed with signature and dated 1970, from an
edition of 12
Bronze
26 x 14 x 16 inches
- 48 JULIE MERIDIAN
Wine Doll
Signed and dated 1991
Toned gelatin silver print
5 1/2 x 7 3/4 inches
- 49 S. MILLER
Seize Whatever is Seizable...
Signed and titled
Watercolor
25 x 40 1/2 inches
- 50 MODERN SCHOOL
Untitled
Polished marble sculpture
Height 30 inches
- 51 MODERN SCHOOL
Figures
Color silkscreen
16 x 23 inches
- 52 JOHN OKULICK
Deceiver
Signed, titled and dated 2001 verso
Mixed media construction
17 x 17 1/2 x 3 inches

Property from BLMIS at Cirker Hayes

- 53 ANTONIO PETICOV
Light Fall
Color silkscreen, 1974, signed, dated and
numbered 117/150
24 3/8 x 16 inches
- 54 AFTER PABLO PICASSO
The Bull
Lithograph montage
23 1/2 x 35 3/4 inches
- 55 PETER REDEKER
Landschats Variatonen 78 III
Color etching with aquatint, 1978, signed, dated
and numbered 45/100
25 1/2 x 31 1/2 inches
- 56 EVELYN ELLER ROSENBAUM
Untitled
Signed and dated '77
Collage and watercolor
18 x 24 inches
- 57 BRUCE STILLMAN
Untitled 1980
Stamped with signature and date
Brushed steel kinetic sculpture
33 x 13 x 9 5/8 inches
- 58 MOLDED GRAY POTTERY TOMB CORNER BRICK
Han Dynasty
Height 45 inches
- 59 NARWHAL TUSK
Height 79 inches
- 60 GROUP OF ITEMS INCLUDING:
Model airplane, 2 balance toys, framed sports
Don Larsen signed photograph
- 61 GROUP OF FOUR FRAMED FINE ARTS POSTERS
POSTERS
By Diebenkorn, Dine, Hockney and Johns
Various large sizes, framed

EXHIBIT B
(Proposed Order)

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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Plaintiff-Applicant,

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BERNARD L. MADOFF INVESTMENT
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Defendant.

Adv. Pro. No. 08-1789 (BRL)

SIPA Liquidation

(Substantively Consolidated)

In re:

BERNARD L. MADOFF,

Debtor.

**ORDER PURSUANT TO SECTION 78fff(a) OF THE SECURITIES INVESTOR
PROTECTION ACT SECTIONS 363 AND 105(a) OF THE BANKRUPTCY CODE
AUTHORIZING THE SALE OF ESTATE PROPERTY**

This matter came before the Court on June __, 2013 on the motion (the “Motion”)¹ [ECF No. __] of Irving H. Picard, as trustee for the substantively consolidated liquidation of Bernard L. Madoff Investment Securities LLC (“BLMIS”) and Bernard L. Madoff, for entry of an order pursuant to section 78fff(a) of Securities Investor Protection Act, 15 U.S.C. §§ 78aaa, *et seq.* (“SIPA”) and sections 363 and 105(a) of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the “Bankruptcy Code”), authorizing Trustee to retain auctioneers to sell certain artwork previously displayed at the BLMIS offices, as more fully set forth in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with section

¹ Capitalized terms not otherwise defined herein shall have the meanings given to them in the Motion.

78eee(b)(4) of SIPA, and the Protective Decree, entered on December 15, 2008 by the United States District Court for the Southern District of New York in Case No. 08 CV 10791, and 28 U.S.C. §§ 157 and 1334; and it appearing that the relief requested by the Motion is necessary and in the best interests of the estate, its customers, and all parties in interest; and due notice of the Motion having been given, and it appearing that no other or further notice need be given; and the Court having determined that the Trustee articulated good, sufficient and sound business justifications for the retention of Sotheby's and Stair and the sale of the Artwork; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted therein; and upon the proceedings before the Court and after due deliberation, it is hereby

ORDERED, that the relief requested in the Motion is granted in its entirety; and it is further

ORDERED, that the Trustee is authorized to: (i) retain Sotheby's and Stair to store the Artwork and sell it at auction (ii) coordinate the later sale of pieces not sold at the fall sales without seeking further leave of the Court, and (iii) to execute any necessary documents to implement the foregoing; and it is further

ORDERED, that this Court shall retain jurisdiction with respect to all matters relating to the interpretation or implementation of this Order.

Dated: New York, New York
June ____, 2013

HONORABLE BURTON R. LIFLAND
UNITED STATES BANKRUPTCY JUDGE