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**Press release from the office of Irving H. Picard, SIPA Trustee for the liquidation of Bernard L. Madoff Investment Securities LLC (BLMIS)**

**TRUSTEE FOR LIQUIDATION OF BERNARD L. MADOFF INVESTMENT SECURITIES ANNOUNCES FILING OF AMENDED COMPLAINT AGAINST STERLING EQUITIES, ITS PARTNERS – INCLUDING SAUL KATZ AND FRED WILPON – AND RELATED ENTITIES**

**Recoveries sought now total more than \$1 billion**

**NEW YORK, NEW YORK** – March 18, 2011 – Irving H. Picard, the Trustee for the liquidation of Bernard L. Madoff Investment Securities LLC (“BLMIS”) today announced the filing of an amended complaint, in the United States Bankruptcy Court for the Southern District of New York, against Sterling Equities (“Sterling”), its partners, their family members, and certain related trusts and entities (collectively, the “Sterling Defendants”).

The amended complaint provides additional specific detail and quantification of the alleged fraudulent transfers from BLMIS received by the Sterling Defendants. In addition to the approximately \$300 million in fictitious profits received by the Sterling Defendants cited in the original complaint, the amended complaint states that the Trustee seeks more than \$700 million in alleged fraudulent transfers of principal received by the Sterling Defendants, bringing the total recoveries sought by the Trustee from the Sterling Defendants to more than \$1 billion. The additional alleged fraudulent transfers of principal occurred during the six years prior to the December 2008 commencement of the BLMIS liquidation proceeding and include preferential transfers received by the Sterling Defendants within the 90-day period prior to the filing date.

“The amended complaint sheds more light on the deep dependency of the Sterling business organization on the continuation of the Madoff fraud and certain knowledge of indicia of fraud by the Sterling partners,” said David J. Sheehan, counsel to the Trustee and a partner at Baker & Hostetler LLP, the court-appointed counsel for the Trustee.

“Perhaps the most telling evidence of Sterling’s dependency on Madoff is the fact that postrevelation of Madoff’s fraud, the Sterling partners were forced to negotiate with at least seven lender banks, including Bank of America, JPMorgan Chase, Citibank, HSBC, M&T, Wachovia, and Bank of New York (the “Lender Banks”), to restructure more than a half-billion dollars in collective debt – not just the millions of dollars of debt secured by the Leveraged KW BLMIS Accounts,” said Fernando A. Bohorquez, Jr., counsel to the Trustee and a partner at Baker & Hostetler LLP. As described in the amended complaint, in the aftermath of the discovery of the Madoff fraud, with full notice of the potential liability to the Trustee faced by the Sterling Defendants, Sterling and the Lender Banks entered into various restructuring credit facilities containing certain provisions that attempted to circumvent any potential recovery action initiated by the Trustee.

“The restructuring demonstrates both Sterling’s and the Lender Banks’ serious concerns regarding potential recoveries by the Trustee, and supports the Trustee’s contention that the Sterling Defendants were inextricably bound to the Madoff fraud,” said Mr. Bohorquez.

The amended complaint also provides additional substantiation of the inter-dependent relationship between Sterling and BLMIS as well as certain Sterling partners’ knowledge of Madoff’s dishonesty in his investment advisory business. For instance, the amended complaint details a multi-million dollar interest- and cost-free bridge loan from Madoff to Sterling in connection with its purchase of the broadcast rights for the New York Mets from Cablevision. This transaction was documented by a single letter agreement that falsely described the loan as an “investment” by Ruth Madoff in the company that would later become the SNY network.

The Sterling complaint was initially filed under seal on December 7, 2010 in the United States Bankruptcy Court for the Southern District of New York. The original complaint was unsealed on February 4, 2011.

In addition to Mr. Sheehan and Mr. Bohorquez, the Trustee acknowledges the contributions of the Baker & Hostetler attorneys who worked on this filing: Lauren Resnick, Kathryn Zunno, Steven Goldberg, Amanda Fein, Keith Murphy, Marc Skapof, George Klidonas, and Henry Bodenheimer.