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PRESS RELEASE OF IRVING H. PICARD

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

NEW YORK, NY – February 4, 2011 – Irving H. Picard, the Trustee for the liquidation of Bernard L. Madoff Investment Securities LLC ("BLMIS") today announced that his complaint against Sterling Equities ("Sterling"), its partners, their family members, and certain related trusts and entities (the "Sterling Defendants") – initially filed under seal on December 7, 2010 in the United States Bankruptcy Court for the Southern District of New York – will be unsealed at the Trustee's request and its details made available to the public.

"Given the high level of public interest in this matter and the equally high level of misinformation and incorrect assertions currently circulating, we are pleased that the facts in the complaint can now speak for themselves, clearly and convincingly," said David J. Sheehan, counsel to the Trustee and a partner at Baker & Hostetler LLP, the court appointed counsel for the Trustee.

"Attempts to negotiate with the Sterling Defendants have not resulted in a resolution of the amount owed to the Madoff Customer Fund," said Mr. Sheehan. "We believe that the Sterling Defendants received substantial funds – in the hundreds of millions of dollars – illegally through their BLMIS accounts and we seek these recoveries for ultimate distribution to BLMIS customers with valid claims."

"There are thousands of victims of Bernard Madoff's massive Ponzi scheme. Saul Katz is not one of them. Neither is Fred Wilpon. And neither are the rest of the Sterling Equities' partners," said Fernando A. Bohorquez, Jr., a Baker & Hostetler partner representing the Trustee. "In fact, Saul Katz, Fred Wilpon, the other Sterling partners, their families, their related trusts, and their various privately held entities were collectively one of the largest beneficiaries of Madoff's fraud, reaping hundreds of millions in fictitious profits over Sterling's quarter-century relationship with Madoff."

The complaint states that the Katz and Wilpon families and businesses were deeply linked to Madoff for more than 20 years. The Sterling partners, their family members, trusts and Sterling-related entities held approximately 300 BLMIS accounts. "Saul Katz, Fred Wilpon and their partners capitalized on their close personal connection with Madoff and used their BLMIS investments to anchor the Sterling empire. Madoff money flowed through every aspect of Sterling's business; whether real estate, baseball or private equity, virtually every Sterling business held investments with BLMIS," said Mr. Bohorquez.

The complaint states that the Sterling partners all had close personal and business ties to Madoff, and used their fraudulent accounts with BLMIS as collateral for financing for more than two decades in order to secure capital under favorable terms. Additionally, Sterling steered close to 180 referrals to BLMIS – including their own employees through a 401(k) plan – thereby channeling hundreds of millions of dollars into the Madoff Ponzi scheme. Madoff also invested millions in various Sterling ventures.

"Given Sterling's dependency on Madoff, it comes as no surprise that the partners willfully turned a blind eye to every red flag of fraud before them. The warning signs were many and varied, ranging from cautionary counsel from financial industry experts and trusted advisors to Madoff's schemes to avoid regulatory scrutiny. The Sterling partners even invested in the *Bayou* Ponzi scheme before BLMIS's collapse. That scheme bore similar markings to the Madoff fraud," said Mr. Bohorquez.

"The Sterling partners are not your average investors; they are sophisticated real estate businessmen and major league baseball franchise owners who built a massive, diversified business empire," said Mr. Bohorquez. "Despite being on notice and having every resource at their disposal to investigate the litany of legitimate questions surrounding Madoff, the Sterling partners chose to blindly accept their good fortune without conducting any investigation whatsoever."

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

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