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PRESS RELEASE OF IRVING H. PICARD

**TRUSTEE FOR LIQUIDATION OF BERNARD L. MADOFF INVESTMENT
SECURITIES CHARGES JPMORGAN CHASE, MADOFF'S PRIMARY BANKER,
WITH "ENABLING" MASSIVE FRAUD**

NEW YORK, NY, December 2, 2010 – Irving H. Picard, the Trustee for the liquidation for Bernard L. Madoff Investment Securities LLC ("BLMIS") today announced the filing of a complaint in the United States Bankruptcy Court for the Southern District of New York against JPMorgan Chase & Co., JPMorgan Chase Bank, N.A., J.P. Morgan Securities LLC and J.P. Morgan Securities Ltd. (collectively "JPMC").

The complaint seeks to recover nearly \$1 billion in fees and profits and an additional \$5.4 billion in damages for JPMC's decades-long role as BLMIS's primary banker, aiding and abetting Madoff's fraud. All recovered monies will be placed into the Customer Fund and distributed, pro rata, to Madoff customers with valid claims, the rightful owners of those monies.

"JP Morgan was willfully blind to the fraud, even after learning about numerous red flags surrounding Madoff," said David J. Sheehan, counsel for the Trustee and a partner at Baker & Hostetler LLP, the court-appointed counsel for the Trustee. "While many financial institutions enabled Madoff's fraud, JPMC was at the very center of that fraud, and thoroughly complicit in it. JPMC was BLMIS's primary banker for more than 20 years, and was responsible for knowing the business of its customers – in this case, a very large customer. Madoff would not have been able to commit this massive Ponzi scheme without this bank. JPMC should pay the price for its central role in enabling Madoff's fraud."

The complaint states JPMC had clear, documented suspicions about the legitimacy of BLMIS's operations. Instead of acting on that information, it simply continued to collect fees and profit from the fraud.

“JPMC admitted in the months before Madoff's arrest that BLMIS's returns were too good – especially in down markets – to be believable, but for years they pretended that was not the case,” said Deborah Renner, a Baker & Hostetler partner representing the Trustee. “Just as in the children's fable, they knew the ‘Emperor had no clothes,’ but looked the other way, allowing the fraud to continue.”

On the banking side, the complaint charges, JPMC should have been more vigilant in seeing illegal cash flows. Instead, “JPMC was willing to ignore decades of suspicious and inexplicable activity,” said Ms. Renner.

“Given that the main BLMIS account was held by JPMC, the bank was in a perfect position to investigate,” Mr. Sheehan said. “It had only to review its internal account records to determine whether there was a legitimate explanation for the cash moving in and out of the BLMIS accounts. And when there ultimately was suspicion of illegal activity, JPMC had a duty to take action. It failed to do so.”

In addition to Mr. Sheehan and Ms. Renner, the Trustee acknowledges the contributions of the Baker & Hostetler attorneys who worked on this extensive filing: Jessie Gabriel, Seanna Brown, Jennifer Vessells, Lindsey D'Andrea, Lauren Hilsheimer, and Keith Murphy.

The full complaint was filed with the Bankruptcy Court under seal. “JPMC has designated virtually all of their information as confidential. While JPMC may want to hide the full extent of its significant role in the Madoff fraud from the public, we intend to move to have the complaint made public as soon as possible,” said Mr. Picard.

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