

SIPC TRUSTEE SUES RUTH MADOFF: SEEKS RECAPTURE OF \$45 MILLION OF CUSTOMERS' MONEY SHE RECEIVED FROM HUSBAND IN THE LAST SIX YEARS

NEW YORK CITY – July 29, 2009 -- Irving L. Picard, the Trustee appointed to liquidate the business of Bernard L. Madoff Investment Securities LLC ("BLMIS"), filed suit today against Ruth Madoff, the wife of Bernard L. Madoff, seeking to recapture at least \$44,822,355 in funds that were transferred from BLMIS during the past six years directly to Mrs. Madoff or for her benefit to companies in which she was an investor.

In the Trustee's complaint, filed in Bankruptcy Court in Manhattan by the Trustee's law firm, Baker & Hostetler LLP, Mr. Picard details 111 transactions which he alleges were fraudulent transfers or conveyances recoverable under the Bankruptcy Code.

Noting that "for decades, Mrs. Madoff lived a life of splendor using the money of BLMIS's customers," Mr. Picard states in the complaint that "regardless of whether or not Mrs. Madoff knew of the fraud her husband perpetrated" money she received from BLMIS should be recovered "to the extent possible for the benefit of BLMIS and its defrauded customers."

On June 26, 2009, when Bernard Madoff was sentenced to a 150-year jail sentence, Madoff agreed to forfeit all of their assets to the United States government, which, in turn, agreed not to contest Mrs. Madoff's claim to \$2.5 million. But that forfeiture expressly provides that it "does not in any way preclude ... Irving H. Picard, Esq. as trustee for the liquidation of the business of defendant Bernard L. Madoff Investment Securities LLC ... from seeking to recover the Funds from Ruth Madoff."

In the complaint filed today, Mr. Picard states that "while Madoff's crimes have left many investors impoverished and some charities decimated, Mrs. Madoff remains a person of substantial means. The inequity between Mrs. Madoff's continuing financial advantages and the economic distress of Madoff's customers compels the Trustee to bring this action."

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INVESTOR CONTACTS: All investor inquires related to the BLMIS liquidation should be directed to <http://www.madofftrustee.com>. All investor inquiries of SIPC should be directed to asksipc@sipc.org or (202) 371-8300.