

**Media Contact:**

Amanda Remus

[aremus@bakerlaw.com](mailto:aremus@bakerlaw.com)

212-847-2826

**Statement from the office of the SIPA Trustee for the liquidation of Bernard L. Madoff Investment Securities LLC**

**Attributable to Amanda Remus, spokeswoman for the SIPA Trustee & Counsel at Baker Hostetler:**

On January 26, 2012, Counsel to SIPA Trustee, Irving H. Picard, filed on his behalf the *Trustee's Memorandum of Law in Support of Motion for Partial Summary Judgment* with regard to Picard v. Katz, et al. with the United States District Court for the Southern District of New York.

This memorandum of law supports the Trustee's motion for partial summary judgment under Rule 56 of the Federal Rules of Civil Procedure to avoid and recover as fraudulent transfers the amounts transferred to the two-year net winner Sterling defendants by Bernard L. Madoff Investment Securities LLC for which the Sterling defendants failed to provide value (fictitious profits).

The Trustee has sued the Sterling defendants for all fictitious profits received by them over the life of their investment with the Bernard L. Madoff Investment Advisory business, together with all the transfers they received within the six years preceding December 11, 2008 (which was the filing date for Bernard L. Madoff Investment Securities LLC SIPA liquidation.) The District Court ruled that the Trustee's claims are limited to a two-year period and denied the Trustee's request for leave to seek immediate appeal of that ruling. This limits today's motion to the two-year period.

Today's filing does not seek summary judgment on transfers made by Bernard L. Madoff Investment Securities LLC to the Sterling defendants' accounts during the two-year period that are equivalent to the amount of principal invested in those accounts because the recovery of those transfers raises numerous material and disputed facts that are more appropriate for resolution at trial, which is presently scheduled to begin on March 19, 2012 in United States District Court for the Southern District of New York.

**Note on amount sought:**

The *Trustee's Memorandum of Law in Support of Motion for Partial Summary Judgment* states that while the United States District Court for the Southern District of New York has ruled that the Trustee's recovery is limited to the two-year period, the evidence demonstrates that the Sterling Defendants withdrew \$295, 465, 565 of fictitious profits from 144 of their accounts over the life of those accounts. Of that amount, \$83, 309, 162 was transferred by Bernard L. Madoff Investment Securities LLC through the Investment Advisory business to the two-year net winner defendants within the two- year period.

**Notes on additional January 26, 2012 filings:**

**Trustee's Statement Pursuant to Local Rule 56.1:**

In addition to the filing of the *Trustee's Memorandum of Law in Support of Motion for Partial Summary Judgment*, Counsel to the SIPA Trustee, Irving H. Picard, has also filed on his behalf the *Trustee's Statement Pursuant to Local Rule 56.1*. This filing is a statement of material facts as to which there is no genuine issue to be tried.

When a *Memorandum of Law in Support of Motion for Partial Summary Judgment* is filed, a *Statement Pursuant to Local Rule 56.1* is filed as well.

**Trustee's Memorandum of Law in Support of Motion to Strike the Expert Reports and Testimony of John Maine:**

In addition, Counsel to the SIPA Trustee has also filed on his behalf a motion today to strike the report and testimony of the Sterling Defendants' proposed expert John Maine.

**Baker & Hostetler attorneys who work on Picard v. Saul Katz et al. include:**

David Sheehan (NY-Partner), Fernando Bohorquez (NY-Partner), Regina Griffin (NY-Partner), Lauren Resnick (NY-Partner), Mark Kornfeld (NY-Partner), Timothy Susanin (NY-Partner), Tracy Cole (NY- Partner), Karin Scholz Jenson (Denver-Partner), Kathryn Zunno NY-Associate), Jody Schechter (NY- Associate), Stacey Bell (NY-Associate), Melissa Kosack (NY-Associate), Amanda Fein (NY-Associate), Brian Song (NY-Associate), Marco Molina (NY-Associate) and Jacquelyn Rovine (NY-Associate).

**All three of the above filings and their respective supporting documents and exhibits can be found on the Trustee's website on the court filing tab: [www.madofftrustee.com](http://www.madofftrustee.com).**