Davis Polk & Wardwell LLP

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Facsimile: (212) 701-5800 Attorneys for the Sterling Defendants UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF NEW YORK SECURITIES INVESTOR PROTECTION CORPORATION, Plaintiff-Applicant, : Adv. Pro. No. 08-01789 (BRL) - against -: SIPA LIQUIDATION BERNARD L. MADOFF INVESTMENT : (Substantively Consolidated) SECURITIES LLC, Defendant. In re: BERNARD L. MADOFF, Debtor. IRVING H. PICARD, Plaintiff, : Adv. Pro. No. 10-05287 (BRL) - against -SAUL B. KATZ, et al. Defendants.

DECLARATION OF KAREN E. WAGNER IN SUPPORT OF STERLING DEFENDANTS' MOTION TO WITHDRAW THE REFERENCE

- I, KAREN E. WAGNER, declare pursuant to 28 U.S.C. § 1746, that the following is true:
- 1. I am an attorney licensed to practice in the state of New York. I am a partner of the firm Davis Polk & Wardwell LLP, attorneys for the Sterling Defendants. I submit this declaration in support of the Sterling Defendants' Motion to Withdraw the Reference of the Above-Captioned Adversary Proceeding to the Bankruptcy Court pursuant to 28 U.S.C. § 157(d).
- 2. Attached hereto as Exhibit A is a true and correct copy of the Amended Complaint filed by the Trustee in *Picard v. Katz*, Adv. Pro. No. 10-05287 (BRL), dated March 18, 2011.
- 3. Attached hereto as Exhibit B is a true and correct copy of the Memorandum of Law in Support of Sterling Defendants' Motion to Dismiss, or, in the Alternative, for Summary Judgment filed in *Picard v. Katz*, Adv. Pro. No. 10-05287 (BRL), dated March 20, 2011.
- 4. Attached hereto as Exhibit C is a true and correct copy of the Trustee's Memorandum of Law in Opposition to the Sterling Defendants' Motion to Dismiss, or, in the Alternative, for Summary Judgment in *Picard v. Katz*, Adv. Pro. No. 10-05287 (BRL), dated May 19, 2011.
- 5. Attached hereto as Exhibit D is a true and correct copy of SIPC's Memorandum of Law in Opposition to the Sterling Defendants' Motion to Dismiss, or, in the Alternative, for Summary Judgment in *Picard v. Katz*, Adv. Pro. No. 10-05287 (BRL), dated May 19, 2011.

6. Attached hereto as Exhibit E is a true and correct copy of a brochure

produced by SIPC, SIFMA, and NASAA, entitled *Understanding Your Brokerage* 

Account Statements.

7. Attached hereto as Exhibit F is a true and correct copy of a page from the

Trustee's website, entitled Important Message on Creditor Claims.

I declare under penalty of perjury that the foregoing is true and correct.

Dated: New York, New York May 26, 2011

> /s/ Karen E. Wagner Karen E. Wagner

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