

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK**

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IRVING H. PICARD,	:
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Plaintiff,	:
	:
- against -	:
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SAUL B. KATZ, et al.,	:
	:
Defendants.	:
	:
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11-CV-03605 (JSR)(HBP)

**DECLARATION OF JEFFREY S. WILPON IN SUPPORT OF  
DEFENDANTS’ MOTIONS FOR SUMMARY JUDGMENT  
AND TO STRIKE EXPERT REPORTS**

I, Jeffrey S. Wilpon, declare, pursuant to 28 U.S.C. § 1746, that the following is true:

1. I am a Defendant in this case. I submit this declaration in support of Defendants’ motions for summary judgment and to strike the reports and testimony of Dr. Steve Pomerantz and Mr. Harrison J. Goldin.

2. I have been a partner of Sterling Equities since 1986. During that time I have worked in the real estate development business and in the baseball and business operations of the New York Mets.

3. I was a brokerage customer of Bernard L. Madoff Investment Securities LLC (“BLMIS”) for approximately nineteen years, up until December 11, 2008 when the fraud at BLMIS was disclosed. I executed customer

agreements for my BLMIS accounts when they were opened, including in each case an authorization permitting Bernard L. Madoff (“Madoff”) to trade for me. I made the decisions about when to deposit or withdraw funds from my BLMIS accounts. To my knowledge, Sterling Equities never made, and never had any authority to make, any decision for me, or any partner, or any other Defendant regarding my or their BLMIS brokerage accounts.

4. During the time that I was a BLMIS customer, I regularly deposited money into, and withdrew funds from, my brokerage accounts. I believed that BLMIS and Madoff purchased securities for me, which I owned, and when securities were sold on my behalf, I believed I was entitled to the funds I withdrew. I knew that my partner, Arthur Friedman, regularly received copies of my BLMIS account statements, trade confirmations, and quarterly reports. I understood that I owned the securities that were said to be in my accounts as reflected on these documents. I understood that Madoff was exercising trading discretion on my behalf.

5. By the time I opened my first account at BLMIS, my father, Fred Wilpon, as well as many of my other family members, including the Partners of Sterling Equities, and close family friends had been investing with BLMIS and Madoff for many years. Among other things, I understood that they thought that Madoff was an excellent broker with an exemplary track record. I also knew that Madoff had an outstanding reputation in the investment community, having held important positions such as chairman of NASDAQ. I further knew that Madoff

was actively involved in the philanthropic community and contributed to numerous charities.

6. I never believed there was a possibility, let alone a high probability, that he was running a Ponzi scheme, was not trading securities, or was engaged in a fraud.

7. I never deliberately avoided information concerning Madoff or BLMIS for fear it would confirm that Madoff was involved in fraudulent activity.

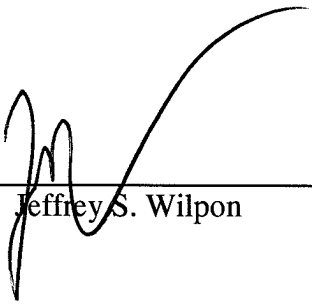
8. If I had had any idea that Madoff was doing anything wrong, I would have taken all of my money out of my BLMIS accounts. I would have advised my Partners, who include my closest family members, to do the same. I would never have facilitated the opening and maintenance of BLMIS accounts for my wife and young children, and others. I was shocked, horrified, hurt, and disappointed when Madoff confessed to his many years of defrauding me and my Partners, friends, and family.

9. I have reviewed the report submitted by Dr. Steve Pomerantz, and, in particular, the twenty-six supposed "red flags" that Dr. Pomerantz identifies. Many of them are matters I was never aware of and require information I did not have and analyses I did not know how to perform. As to the ones I did know about, such as the receipt of paper statements from BLMIS, they did not suggest any impropriety or illegality and never caused me to consider, let alone believe, that there was a high probability that Madoff was engaged in fraud. None of the so-called "red flags" of which I knew caused me to be suspicious of BLMIS or

Madoff in any way.

Dated: New York, New York

January 26, 2012



Jeffrey S. Wilpon