

newsday.com/business/ny-bzmado036055978mar03,0,6128040.story

# Newsday.com

## Judge seeks input on ending job of Madoff receiver

BY ANTHONY M. DESTEFANO

[anthony.destefano@newsday.com](mailto:anthony.destefano@newsday.com)

March 3, 2009

A federal judge in Manhattan is asking for more information - including a statement from accused Wall Street swindler Bernard Madoff's attorneys - before pulling the plug on the job of special receiver, which has involved some legal arm wrestling with British officials.

In a short order filed yesterday in Manhattan, federal court Judge Louis Stanton directed federal prosecutors, the Securities and Exchange Commission and Madoff's attorney to weigh in on the whether receiver Lee Richards should be allowed to throw in the towel.



Richards was appointed special receiver when the SEC filed civil charges against Madoff in December 2008, right after the Wall Street investment manager was arrested on charges he ran a \$50 billion Ponzi scheme.

But Richards' job seemed to conflict with those of special liquidators appointed by British courts to liquidate Madoff's holdings in London. In addition, Richards' job also seemed to duplicate that of special trustee Irving Picard, who is rounding up Madoff assets.

Richards also said in court filings that the British liquidators had not disclosed all the information they had about Madoff assets of the London operation. Still, some \$162 million was traced as moving from the London operation to Madoff's U.S. business in November, Richards said.

Because his operation seems redundant given what Picard and other officials are doing, Richards asked Stanton last week to terminate his job.

Stanton's request for federal officials and Madoff's attorneys to weigh in on whether Richards' job should end isn't unusual in such a case, said New York securities attorney Aurora Cassirer.

"He is being careful," she added.

Copyright © 2009, [Newsday Inc.](#)