



**June 23, 2009**

**Madoff lawyer seeks 12-year term for swindler**

- \* Madoff lawyer asks judge for term less than life
- \* Says should not give in to "mob vengeance" of investors
- \* Defrauded customers to speak at June 29 sentencing (Recasts with details of letter, reaction, bylines)

By Martha Graybow and Grant McCool

NEW YORK, June 23 (Reuters) - Bernard Madoff's lawyer asked a judge to sentence Wall Street's biggest thief to a punishment of less than life in prison, saying the court should not give in to the "mob vengeance" sought by those he defrauded.

Madoff "will speak to the shame he has felt and to the pain he has caused" at his June 29 sentencing hearing, defense lawyer Ira Lee Sorkin wrote in a letter to U.S. District Judge Denny Chin made public on Tuesday.

Madoff, 71, pleaded guilty in March to running a worldwide Ponzi scheme over at least two decades that bilked investors out of as much as \$65 billion. The maximum sentence on all 11 charges, including securities fraud, money laundering and perjury, adds up to 150 years in prison.

A 12-year prison term for Madoff would be sufficient to address the issue of deterrence and to promote respect for the law, Sorkin wrote. A sentence of 15 to 20 years could also be appropriate without "disproportionately punishing" Madoff.

Madoff, a former nonexecutive chairman of the Nasdaq stock market and once-respected money manager sought after by investors for his seemingly steady returns, has been jailed since he pleaded guilty.

His sentencing proceedings are expected to draw many of his victims, including some who have asked to speak at the hearing to describe their pain and anger after losing their life savings to the swindle.

Sorkin said many of the "victim impact statements" suggest "a desire for a type of mob vengeance," but "it is the duty of the court to set aside the emotion and hysteria attendant to this case and render a sentence that is just and proportionate."

INVESTORS SEEK MAXIMUM

**A lawyer representing some of the defrauded clients seeking return of their money said Madoff should be sent to a maximum-security prison for the rest of his life.**

**The swindler "did worse than someone who walked into a liquor store and robbed it," said Jerry Reisman, a partner in New York law firm of Reisman, Peirez and Reisman who represents 16 of Madoff's former customers.**

**Madoff victims have sent more than 100 letters to the judge describing retirement savings and college funds wiped out, mortgages unpaid and inability to pay medical expenses. Many of his victims are elderly and have told the judge they are desperately seeking work to make ends meet.**

Legal experts say they expect the judge to sentence Madoff to 20 years or more. They say he could draw more time than Bernard Ebbers, the former chief executive of WorldCom Inc, who is serving a 25-year sentence for engineering a massive accounting scandal.

U.S. prosecutors said in court documents that they would file their own letter on sentencing to the judge on Friday.

Anthony Sabino, Professor of Law and Business at St. John's University in New York, said that the arguments made by Madoff's lawyer "are expected arguments and those are cogent arguments. I think the chances of that succeeding are slim to none."

Madoff ran a classic Ponzi scheme in which early investors are paid with the deposits of newer clients, but the scheme collapsed in the faltering economy last year as more investors sought redemptions. He was arrested in December after his two sons told authorities he had confessed his crime to them.

The case had led to calls for tighter regulation of money managers. The U.S. Securities and Exchange Commission has been severely criticized for failing to uncover Madoff's scheme despite warnings he was running a fraud.

The case is USA v Madoff 09-213 in U.S. District Court for the Southern District of New York (Manhattan) (Reporting by Martha Graybow and Grant McCool, editing by Gerald E. McCormick and Matthew Lewis)