

Memorandum of Interview of

former Assistant Regional Administrator

On Monday May 5, 2009, I interviewed by telephone [redacted], who is listed as an SEC attorney on the 1992 Commission case against Avellino & Bienes. [redacted] confirmed that he worked in NERO during that timeframe, and recollected that in 1992 he was an Assistant Regional Administrator in charge of IM Inspection Branches (as opposed to BD Inspection Branches).

former Assistant Regional Administrator

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[redacted] recollected that he was consulted in the case against Avellino & Bienes shortly before the case was filed, to review 40 Act violations concerning Avellino & Bienes' failure to register. He stated that he did not work on the investigation, but was merely asked to review the Complaint.

former Assistant Regional

former Assistant Regional

former Enforcement Assistant Regional Director

[redacted] stated that [redacted] and Dick Walker primarily worked on the investigation. He recollected going to court in the matter, but did not recollect specifically what he was in court for, or who he went with. He stated he may have gone to get preliminary relief, and he may have gone with [redacted] but did not recollect with certainty.

former Enforcement

former Assistant Regional

[redacted] recalled that a special master was appointed to do an accounting in this case, and stated that it was Fred or Frank Werblow (sp?), who was head of compliance at Price Waterhouse.

former Assistant Regional

[redacted] went on to state that the Enforcement attorneys working on the case were concerned that Avellino & Bienes were running a Ponzi scheme, and they asked Price Waterhouse to check it out. [redacted] stated that he believed that "we had done what we should do" in this case, and pointed out that the outside expert (Price Waterhouse) was "no schlub." When asked whether he thought the SEC should have done more to check out the money manager (Madoff), he stated that he thought they "did check to see where the money was going."

former Assistant Regional

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[redacted] stated that he believes he never heard the name Madoff even mentioned in relation to this matter, and believes he did not hear the name Madoff until December 2008.

Personal Privacy