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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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SECURITY AND EXCHANGE COMMISSION,
Plaintiff,

-against-

AVELLINO & BIENES,
FRANK J. AVELLINO, and
MICHAEL S. BIENES,

Defendants.

-----x

November 20, 1992
3:45 p.m.

Deposition of FRANK J. AVELLINO, taken by
Trustee, pursuant to Order of Judge Conboy dated
November 17, 1992, at the offices of Avellino &
Bienes, 70 East 55th Street, New York, New York,
before Harold Brown, a Certified Shorthand
Reporter and Notary Public within and for the
State of New York.



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A P P E A R A N C E S:

RICHARDS SPEARS KIBBE & ORBE, ESQS.
Attorneys for the Trustee
140 Broadway
New York, New York 10005

BY: LINDA IMES, ESQ.,
of Counsel.

SQUADRON ELLENOFF PLESENT & LEHRER, ESQS.
Attorneys for Defendants
551 Fifth Avenue
New York, New York 10176

BY: DORI ANN HANSWIRTH, ESQ.,
of Counsel.

ALSO PRESENT:

FREDERICK M. WERBLOW,
Price Waterhouse

1
2 F R A N K J. A V E L L I N O,

3 residing at Personal Privacy

4 [REDACTED], having been first duly
5 sworn by the Notary Public (Harold Brown), was
6 examined and testified as follows:

7 EXAMINATION BY MS. IMES:

8 Q. Mr. Avellino, as you know, my name is
9 Linda Imes and I am working with the trustee in
10 this matter whose name is Lee Richards. I'm
11 going to be asking you questions today under oath
12 pursuant to an order of United States District
13 Judge Conboy which was entered on November 17,
14 1992 and with the consent of your attorney. Do
15 you understand that?

16 A. Yes, I do.

17 Q. Are you familiar with the order to
18 which I'm referring?

19 A. Yes.

20 Q. Have you reviewed that order?

21 A. I've read it once.

22 Q. What is your occupation,
23 Mr. Avellino, currently?

24 A. Currently, I am a private investor.

25 Q. Are you familiar with Avellino &

Avellino

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Bienes?

A. Yes, I am.

Q. Where is that business located currently?

A. It's located in Fort Lauderdale, Florida.

Q. It also has an office in New York?

A. Yes, it does.

Q. And that's where we're talking this deposition?

A. Right.

Q. What is the address there?

A. 70 East 55th Street, New York City, New York 10022.

Q. What is the business of Avellino & Bienes currently?

A. It borrows money from individuals.

Q. And what does it do with that money?

A. It invests it in securities.

Q. By what route does it invest them?

A. It invests them in marketable securities through a brokerage house in New York.

Q. What is the name of that brokerage house?

1 Avellino

2 A. Bernard L. Madoff.

3 Q. Who is the principal there with whom
4 you've dealt?

5 A. Bernard L. Madoff.

6 Q. During what periods of time has
7 Avellino & Bienes been in this business that
8 you've just described?

9 A. Since its inception. The names have
10 been changed, so I would probably say 1977.

11 Q. To present?

12 A. To present.

13 Q. Sir, part of the purpose of my
14 examination today is to determine whether or not
15 the trustee has been provided with accurate
16 records by you on behalf of Avellino & Bienes.
17 Do you understand that that's my purpose?

18 A. Yes, I do.

19 Q. Sir, prior to the order being
20 entered, did a distribution of funds occur?

21 A. Yes.

22 Q. Could you just explain for the record
23 how you went about making that distribution?

24 A. Distribution was from proceeds that
25 were received from Bernard L. Madoff upon

1 Avellino

2 liquidation of certain securities and earmarked
3 for distribution and we picked certain large
4 accounts because it was easy to wire and because
5 of the size of them, I thought it would curtail
6 anybody from complaining about any interest
7 calculation up to the point of distribution if
8 any.

9 Q. What was the total amount of that
10 distribution approximately?

11 A. \$113 million.

12 Q. Now, did you provide the trustee or
13 his representatives with certain documents
14 documenting that distribution?

15 A. Yes.

16 MS. IMES: I would like to have
17 marked as Exhibit 1 eight pages of letters.

18 EXB (Trustee Exhibit 1 for
19 identification, eight pages of letters.)

20 Q. I'm putting in front of you Trustee's
21 Exhibit 1, sir. Do you have that in front of
22 you?

23 A. Yes, I do.

24 Q. Would you identify that for us,
25 please?

1 Avellino

2 A. They are wire instructions from
3 Joseph Avellino who has the power to make wire
4 transfers for the Avellino & Bienes account and
5 I'm looking a letter one that goes to Fairfield
6 Pagma Associates for the amount of 7,406,754.
7 I'm looking at another wire transfer instruction
8 sheet that goes to Atlantic Capital Service for
9 1,414,957.

10 Q. Okay, you don't need to go through
11 all of them, Mr. Avellino.

12 A. Okay.

13 Q. Because they are part of the record.

14 A. Sure, okay.

15 Q. But is it fair to state that these
16 letters are all such letters that are in the
17 custody or control of Avellino & Bienes?

18 A. Yes.

19 Q. Does Exhibit 1 before you accurately
20 summarize the wire transfers in the approximate
21 amount of \$113 million that were made prior to
22 the court order being entered?

23 A. Yes, it does.

24 MS. HANSWIRTH: They all do?

25 A. They all do.

1 Avellino

2 Q. There are no other such letters?

3 A. No.

4 Q. You've provided them all to the
5 trustee, then?

6 A. Yes.

7 Q. Do you know these letters to be a
8 true and accurate reflection of the actions that
9 you took?

10 A. Yes, they are.

11 Q. Mr. Avellino, could you please tell
12 us who are the current employees of Avellino &
13 Bienes by name?

14 A. Sure. There's Lola K-u-r-l-a-n-d,
15 there is S-a-v-i-n-a Navas N-a-v-a-s, Elizabeth
16 D-o-n-o, and Personal Privacy
17 [REDACTED] Sonia Duque-Mendez.

18 Q. And the first three that you named --
19 Ms. Kurland, Ms. Navas and Ms. Dono -- are they
20 all located in the New York office?

21 A. Yes.

22 Q. What are the duties and
23 responsibilities of Lola Kurland?

24 A. Lola is the manager of the office.

25 Q. And Ms. Navas?

Avellino

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A. Navas is now the computer operator.

Q. And Ms. Dono?

A. She is the receptionist.

Q. When was the last time that Sonia Duque was working here?

A. Personal Privacy in October if I remember right.

Q. Are there any employees in the Florida office?

A. No.

Q. Mr. Bienes, is it correct to say, is your partner?

A. Yes.

Q. He works in the New York office; is that correct?

A. Yes, yes.

Q. Who is the person in the New York office who has primary responsibility for taking care of the accounts in question?

A. Lola Kurland.

Q. Just so we understand what the so-called paper trail of documents are, let's say that in the past if a customer sends in a check for say, \$10,000 that they would like to have

1 Avellino

2 invested by Mr. Madoff, could you tell us what
3 papers would be created in order for that to take
4 place?

5 A. Sure, the first thing you do is you
6 take the \$10,000 check, make a deposit which is
7 made by -- looked at, opened up, meaning the mail
8 is opened up by Lola, then it is handled by
9 Savina to make sure that the information on it
10 corresponds to a computer info. Then it's
11 brought back to Lola who makes up the deposit,
12 brought back to Savina again who makes up a typed
13 computer deposit list, then the deposit is made
14 by Elizabeth Dono physically at the bank. Then
15 weekly or periodically, Savina makes up a weekly
16 report of the deposit in addition to some other
17 documents we will probably get into later and
18 sends it to Optus Information Services which is
19 the computer service that records all of this
20 documentation on a central computer file.

21 Q. Located in New Jersey?

22 A. In New Jersey, Somerset, New Jersey.

23 Q. You referred to a deposit being made
24 at the bank. At which bank?

25 A. Chemical Bank.

1 Avellino

2 Q. How many accounts at Chemical Bank
3 does Avellino & Bienes maintain?

4 A. It has one loan account called
5 Avellino & Bienes and it has what we call an
6 expense account for all operational expenses
7 which is a special account called Avellino &
8 Bienes Special.

9 MS. IMES: I would like to mark as
10 Trustee's 2 two pages of Chemical Bank account
11 statements.

12 EXB (Trustee Exhibit 2 for
13 identification, two pages of Chemical Bank
14 account statements.)

15 Q. The first page of Exhibit 2
16 references an account at Chemical Bank number
17 Personal Privacy. I'm putting the first page of
18 Trustee's 2 in front of you. Do you have that,
19 sir?

20 A. Yes, I do.

21 Q. Can you identify that account, the
22 account number that I just read?

23 A. Yes, that is the special account.

24 Q. Meaning you said one was a loan
25 account.

1 Avellino

2 A. An expense account.

3 Q. Expense account, thank you. The
4 second page is a Chemical Bank account statement
5 listed Personal Privacy. I'm placing the second page
6 of Trustee's 2 in front of you, do you have that?

7 A. Yes, I do.

8 Q. Would you identify that account for
9 us?

10 A. That is considered the main loan
11 account.

12 Q. When you say the main loan account,
13 what funds are typically or typically have been
14 deposited into --

15 A. Only monies that are received from
16 lenders and monies that we request from Bernard
17 L. Madoff on the quarterly interest
18 distributions.

19 Q. What funds are typically deposited
20 into the expense account you identified?

21 A. The expense account is basically a
22 transfer from the loan account into the expense
23 account.

24 Q. Are there any other accounts at
25 Chemical Bank that Avellino & Bienes maintains

1 Avellino

2 other than the two we have talked about?

3 A. No.

4 Q. Does Avellino & Bienes maintain any
5 accounts at any other bank?

6 A. No.

7 Q. Besides Chemical?

8 A. No.

9 Q. Now, sir, I would like to address the
10 types of files that Avellino & Bienes maintains
11 on its premises concerning the various clients.

12 A. Yes.

13 Q. Or if you prefer to call them
14 customers.

15 A. I call them lenders.

16 Q. You call them lenders, the lenders,
17 then. Approximately how many total lenders were
18 there in the relevant period?

19 A. We have 1,300 primary lenders which
20 means that it stems to about 3,200 different
21 accounts, but primary lenders which means
22 families and groups broken down, it's about 1,300
23 and when you get down to the bottom line you have
24 about 3,200 approximately accounts.

25 Q. What kind of file or files does

1 Avellino

2 Avellino & Bienes maintain on its premises for
3 each account or for each primary lender depending
4 upon how you've broken it up?

5 A. Each account has a folder with the
6 name and address and different correspondence
7 over the period of time from beginning to current
8 times.

9 Q. Who maintains those folders?

10 A. All of the -- the entire staff in New
11 York.

12 All three people.

13 Q. Lola and the other individuals?

14 A. Everybody, yes.

15 Q. Have you made those files available
16 to representatives of Price Waterhouse and the
17 trustee?

18 A. Yes.

19 Q. Do you have any idea how many such
20 files there are?

21 A. There should be 3,200.

22 Q. As far as you know, sir, are those
23 files in the condition that they have been kept
24 over the course of time in the regular course of
25 business?

1 Avellino

2 A. Yes.

3 Q. Do you know whether anyone has
4 tampered with those files or changed any entries
5 in them at any time?

6 A. No.

7 Q. You don't know or they have not?

8 A. No, they have not.

9 Q. Has anyone tampered with those files
10 or altered any of the records in those files
11 since the court entered its order?

12 A. No, not at all.

13 MS. IMES: Let me mark as Exhibit 3 a
14 sample file of the account of Jacqueline Cotsen.

15 EXB (Trustee Exhibit 3 for
16 identification, sample file of the account of
17 Jacqueline Cotsen.)

18 Q. Now, sir, I'm placing in front of you
19 Trustee's Exhibit 3.

20 Q. Do you have that, sir?

21 A. Yes, I do.

22 Q. Is this a representative sample of
23 the kind of file that you maintained on each
24 customer account or I should say lender account?

25 A. It's a typical -- it's what I would

1 Avellino

2 expect in a file is a correspondence and the
3 documentation that represents the loan.

4 Q. Now, when you say documentation that
5 represents the loan, what is typically in each
6 file that constitutes the documentation showing
7 the loan?

8 A. Basically, you would probably have
9 the date it was -- the inception of the loan,
10 some documentation as to that which would be a
11 receipt of a check somehow somewhere and each --
12 there's no standard procedure, you may have some
13 people send checks with a scribbled letter, some
14 people send checks with a formal letter, some
15 people send just the check and if you look at any
16 one file, there is no pattern as to what you
17 would find in any file, it's just whatever we
18 get, we put in a file, whatever it may be. Some
19 may be just -- some files may just have one or
20 two pages.

21 Q. And when you make interest payments
22 on the loan, sir, is it typical to make a xerox
23 copy of the check that goes out in payment of
24 interest?

25 A. No, never make -- never make a copy.

1 Avellino

2 If it happens to be in a file, it's because
3 somebody might have questioned the fact that the
4 mail wasn't received and we would instruct the
5 computer or some other form of documentation to
6 make sure that we could send back to the client a
7 copy of data that shows the appearance of the
8 interest paid, but that's rather infrequent if at
9 all.

10 Q. To your knowledge, sir, are the files
11 complete that you've provided to Price Waterhouse
12 and the trustee?

13 A. Everything we have is complete, I
14 mean everything, whatever it may be.

15 Q. So there were no documents that were
16 for example taken out of the client files on a
17 regular basis and kept elsewhere?

18 A. No.

19 Q. Everything pertaining to that
20 particular lender would be in the client file?

21 A. Yes, oh, definitely.

22 Q. Let's talk a minute, sir, about any
23 documents that may be maintained in the Florida
24 office of Avellino & Bienes.

25 A. Yes.

1 Avellino

2 Q. Where is that office located?

3 A. Right now it's -- there are some
4 records which are ledger sheets that are
5 maintained at my home which is at 4750 N.E. 23rd
6 Avenue, Fort Lauderdale, Florida.

7 Q. What are those ledger sheets?

8 A. Cash receipts, cash disbursements and
9 general ledger sheets.

10 Q. For the 3200 accounts that you've
11 mentioned?

12 A. No, it has nothing to do with the
13 3200 accounts, it has to do with the general
14 ledger of Avellino & Bienes.

15 Q. I see.

16 A. Of course, the total summary of
17 Avellino & Bienes is in the general ledger.

18 Q. Who maintained that ledger?

19 A. I do personally.

20 Q. During what period of time did you
21 maintain it?

22 A. Since inception.

23 Q. Do you know for which dates the
24 general ledger is in the Florida office?

25 A. I could currently say that since my

1 Avellino

2 ledgers are kept on a tax basis as I have
3 probably explained before, I could tell you that
4 they are probably '89, '90, '91 and '92.

5 Q. Do you know what happened to the
6 general ledger for the years prior to '89?

7 A. Oh, yes, when I moved, I probably got
8 rid of it.

9 Q. So were we to go at this moment to
10 the Florida office, we would find general ledgers
11 for the years '89 to '92?

12 A. Right.

13 Q. So far as you know, sir, have those
14 records been tampered with in any way?

15 A. No.

16 Q. Have any entries upon them been
17 changed since the entry of this court's order?

18 A. No.

19 Q. Have you issued any directives that
20 anything at all be done with those documents?

21 A. Nothing.

22 Q. And you've agreed, have you not, to
23 make those available to Price Waterhouse?

24 A. Yes.

25 Q. And the trustee?

1 Avellino

2 A. Yes.

3 (Discussion off the record.)

4 Q. Let me turn to the accounts at
5 Bernard L. Madoff M-a-d-o-f-f. First of all,
6 where are the Madoff offices located?

7 A. At 885 Third Avenue, New York, New
8 York 10022.

9 Q. How many accounts does Avellino &
10 Bienes maintain there?

11 A. It has an account called Avellino &
12 Bienes, Avellino & Bienes Special, Avellino &
13 Bienes Number 2, Avellino & Bienes Number 3,
14 Avellino & Bienes Number 4 and Avellino & Bienes
15 Number 5 and it also has an account that's
16 Avellino & Bienes profit sharing blank which is
17 the total accounts for Avellino & Bienes.

18 Q. Sir, I have obtained some documents
19 from Mr. Madoff's office which purport to be
20 current statements for the various accounts held
21 there. What I'm going to do is mark them as
22 Trustee's Exhibit 4 as a group. You'll observe
23 that each group has paper clips around it and
24 what I would like you to do is examine these
25 documents once they've been marked and tell me

1 Avellino

2 whether or not the accounts reflected on here
3 consist of the entire universe of accounts held
4 at Bernard L. Madoff. Do you understand?

5 A. Okay.

6 MS. HANSWIRTH: In the name of
7 Avellino & Bienes.

8 MS. IMES: Correct.

9 EXB (Trustee Exhibit 4 for
10 identification, current statements for the
11 various accounts held at Bernard L. Madoff.)

12 Q. Do you have Trustee's 4 in front of
13 you, sir?

14 A. Yes, I do.

15 Q. Have you had a chance to review
16 those?

17 A. What I'm looking at is the names of
18 Avellino & Bienes on each one of these statements
19 from Bernard L. Madoff and I recognize that each
20 one has the names I had enumerated just awhile
21 ago.

22 Q. Maybe for the ease of reading the
23 record, if you could just read off the name of
24 the account and the account number.

25 A. Okay.

1 Avellino

2 listed?

3 A. Yes.

4 Q. There are no other accounts that you
5 know of into which those funds went?

6 A. Yes, no other accounts.

7 Q. Mr. Madoff also provided us with
8 copies of records for an account of Frank J.
9 Avellino trustee bearing account number [REDACTED]

10 [REDACTED] and an account of [REDACTED] Bienes

11 account number [REDACTED]. I'll mark those
12 together as Trustee 5.

13 EXB (Trustee Exhibit 5 for
14 identification, copies of records for account
15 number [REDACTED] and account number [REDACTED]

16 [REDACTED].)

17 Q. Do you have Trustee's 5 in front of
18 you, sir?

19 A. Yes, I do.

20 Q. Could you just identify it for us.

21 A. Yes. There are statements from
22 Bernard L. Madoff bearing the name Frank J.
23 Avellino trustee accounts number [REDACTED] and
24 an account bearing the name Diane K. Bienes
25 account number [REDACTED].

1 Avellino

2 Q. Are those the so-called personal
3 accounts maintained at the broker dealer?

4 A. Yes, they are.

5 Q. Are those the accounts in which
6 funds, certain funds have been frozen?

7 A. Yes.

8 Q. Are there any other accounts at
9 Bernard L. Madoff that could be characterized as
10 personal accounts?

11 A. No.

12 Q. And so far as you know, sir, the
13 funds in that account have been frozen and
14 there's been no attempt by you to transfer them;
15 is that correct?

16 A. Correct.

17 Q. Mr. Avellino, I would like to move to
18 certain other documents that you have provided to
19 the trustee and Price Waterhouse. I would first
20 like to mark as Exhibit 6 a one-page statement
21 from Optus Financial Services that says "Re
22 totals."

23 EXB (Trustee Exhibit 6 for
24 identification, one-page statement from Optus
25 Financial Services that says "Re totals.")

1 Avellino

2 Q. Do you have Trustee's 6 in front of
3 you?

4 A. Yes, I do.

5 Q. Would you identify that for us?

6 A. It is a summarization of the totals
7 of the loans payable as of November 18, 1992.

8 Q. I see in the left-hand column certain
9 notations such as ABJT and then a total, ABS and
10 then a total.

11 Would you please identify for us each
12 of those five categories listed in the left-hand
13 column?

14 A. Yes. ABJT, ABS, AC, FM and RAI are
15 internal computer directories which are earmarked
16 for certain different accounts which may have a
17 unique basis and could be the same interest
18 rates, it could be the same group of people, it
19 could be retirement accounts incorporated which
20 is basically pension plans and IRA accounts and
21 the indication of the directory just tells us for
22 easy access when we are inputting or working with
23 the accounts, it makes it easier for us to get
24 into and out of so we could direct what it is.

25 Q. Is the RAI indication retirement

1 Avellino

2 accounts?

3 A. That's all of it. All of it is
4 retirement accounts.

5 Q. Mr. Avellino, did you also in
6 addition to providing Exhibit 6 to Price
7 Waterhouse and to the trustee, did you also
8 provide a list of all of the lenders with a
9 balance due?

10 A. Yes, I did.

11 Q. Did you do that for -- I'm sorry, for
12 what date did you do that?

13 A. That was as of November 16, 1992, the
14 date the final loan was recorded.

15 Q. What I want to do is mark this
16 approximately three inch thick document as
17 Exhibit 7. Trustee's 7.

18 EXB (Trustee Exhibit 7 for
19 identification, document.)

20 Q. Do you have 7 in front of you,
21 Mr. Avellino?

22 A. Yes, I do.

23 Q. Would you look through that and
24 identify it for us?

25 A. It's a summarization by the

W. A. Neat

1 Avellino

2 directories I mentioned a minute ago with the
3 names, ID, tax ID numbers and a total balance,
4 final balance if you will, of the loan accounts
5 for each individual.

6 Q. Is that list exclusive of interest?

7 A. That's exclusive of interest.

8 Q. Can you tell me, sir, whether you
9 know the listing of lenders that has been marked
10 as Exhibit 7 to be a true and accurate list of
11 lenders who are owed funds by Avellino & Bienes?

12 A. According to the books, ledgers,
13 computational sheets and every available data we
14 have, this is a true loan payable balance for
15 Avellino & Bienes as of November 16, 1992.

16 Q. Do you have any reason to believe
17 whatsoever that it is inaccurate in any way?

18 A. No, I have no reason to believe that
19 it's inaccurate.

20 Q. Do you have any reason to believe
21 that there are lenders who have been omitted from
22 that list for one reason or another?

23 A. As far as I am concerned, and from my
24 knowledge, there are no lenders omitted from
25 these lists.

1 Avellino

2 Q. Are there any other documents to
3 which you could refer us that would shed light on
4 whether there are any lenders missing from the
5 list?

6 A. The only other documents are cash
7 receipts, cash disbursements and general ledgers
8 that might indicate cash received and cash
9 disbursed that might not have been recorded into
10 the loan payable account.

11 Q. Would those be listed in the
12 documents in Florida?

13 A. Yes, or in deposit slips or in the
14 cash disbursements, checks from the check
15 register that is probably available at the
16 computer service.

17 Q. But to your knowledge, sitting here
18 today, there are no lenders who have been omitted
19 from the list?

20 A. None whatsoever.

21 Q. And you believe the amounts that are
22 due and owing are accurate?

23 A. Accurate.

24 Q. I would also ask you the same
25 questions about Trustee's Exhibit 6. Do you

1 Avellino

2 believe the figures that are reflected on
3 Trustee's Exhibit 6 are true and accurate?

4 A. Trustee's Exhibit 6 and Trustee's
5 Exhibit 7 have the same exact loan payable
6 balance dollar amounts. They should be exactly
7 the same.

8 Q. And do you believe Trustee's Exhibit
9 6 to be true and accurate as well?

10 A. Yes, it is, yes.

11 Q. Sir, your staff has apprised us of
12 certain accounts, the account of Mr. Simon, the
13 account of Mr. Sands that appears to perhaps be
14 controlled by Mr. Simon and the account of
15 Mr. Exton.

16 A. Exton.

17 Q. Exton. About which there are either
18 pending court orders or assignments or other
19 potential claims. Are you aware of that, sir?

20 A. Yes.

21 Q. You believe the advice that Lola
22 Kurland gave the trustee concerning that
23 information to be true and accurate?

24 A. Yes.

25 Q. Do you have any reason to believe

1 Avellino

2 that there are any other lenders about whom a
3 court order has been issued or an assignment made
4 such that the trustee should not disburse the
5 loan funds?

6 A. To my knowledge, there are none
7 others than the ones that we mentioned.

8 Q. We've described the records that have
9 been made available to the trustee and to Price
10 Waterhouse and we've marked some of them here
11 today. We've talked about the client files and
12 then we marked a number of exhibits today.

13 Were there any other records that
14 you've made available to Price Waterhouse or the
15 trustee since the trustee has been appointed
16 pursuant to the court order?

17 A. Not that I could recall because I
18 have been in and out of the office in the last
19 few days, so if anything has been made available,
20 it would have been made available without my
21 knowledge.

22 Q. Do you know of any records that would
23 assist the trustee or Price Waterhouse in
24 disbursing of funds that have not been made
25 available to them?

1 Avellino

2 A. None whatsoever.

3 Q. Now, we at this time are not
4 questioning Mr. Bienes, however I would like to
5 put the question to you.

6 Do you know whether or not Mr. Bienes
7 has any information to the contrary of what
8 you've testified to under oath today?

9 A. He has no information contrary to
10 anything I've said today.

11 Q. Mr. Avellino, as you know, part of
12 the task of the trustee and Price Waterhouse is
13 to disburse funds and we are intending to do that
14 on the next business day which is this coming up
15 Monday. You understand that; is that correct?

16 A. Yes.

17 Q. And that is millions of dollars, you
18 understand that as well?

19 A. Yes.

20 Q. Do you have any reason to believe
21 that we should not disburse the funds in
22 accordance with the list that has been marked as
23 Trustee's Exhibit 7?

24 A. None whatsoever.

25 Could I qualify that.

1 Avellino

2 Q. Please do.

3 A. It was just brought up to my
4 attention we're talking about funds that are
5 being disbursed on this coming Monday and the
6 list I am looking at or have looked at, Exhibit 6
7 and 7 is it?

8 MS. HANSWIRTH: Yes.

9 A. That is the principal balance, but I
10 believe we are also disbursing interest up to
11 November 16, 1992.

12 Q. That's correct. And information
13 concerning interest is to be provided to Price
14 Waterhouse and to the trustee; is that correct?

15 A. Yes.

16 Q. Who has authorization, sir, to
17 transfer funds out of the Bernard L. Madoff
18 accounts that were marked as Trustee's Exhibit
19 4? Those are the nonpersonal accounts.

20 A. Authorization as of today?.

21 Q. As of today, right.

22 A. As far as I know, it's a directive
23 from the court.

24 Q. And who prior to the court order had
25 authorization to transfer funds out of those

1 Avellino

2 accounts?

3 A. Only Frank Avellino and Michael
4 Bienes.

5 Q. Who has authorization to sign checks
6 drawn on -- I'm sorry, who has authorizations to
7 make deposits or withdrawals from the Chemical
8 accounts, the two Chemical accounts that you
9 identified earlier in the deposition?

10 A. Deposits are made by anybody in the
11 office. Withdrawals are made by Frank Avellino
12 and Michael Bienes with authority given to Joseph
13 Avellino only if we give him permission to sign a
14 particular check or direct a wire.

15 (A recess was taken.)

16 Q. Who are the current partners of
17 Avellino & Bienes?

18 A. Frank J. Avellino, Michael S. Bienes
19 and Diane K. Bienes.

20 Q. Are those general partners?

21 A. Yes.

22 Q. Are there any limited partners?

23 A. No.

24 Q. So there are no other partners other
25 than the two that you have mentioned?

1 Avellino

2 MS. HANSWIRTH: Three.

3 Q. I'm sorry, three that you've
4 mentioned?

5 A. Three.

6 Q. Has that been the case since the
7 beginning?

8 A. The beginning of Avellino & Bienes?

9 Q. Correct.

10 A. Yes.

11 Q. Do you know whether Avellino & Bienes
12 have any other liabilities other than the
13 liabilities that are set forth in Trustee's
14 Exhibit 7 plus interest?

15 A. As a partnership?

16 Q. Right.

17 A. No, none whatsoever.

18 Q. They have none?

19 A. We are talking about leases and
20 things like that, accounting wise?

21 Q. Just other liabilities.

22 A. Commitments and contingencies as far
23 as lease, light and power, expenses, employee's
24 weekly salary.

25 Q. Payroll?

1 Avellino

2 A. Yes, Social Security, withholding
3 taxes.

4 Q. Does Avellino & Bienes have an
5 account through which it makes payroll?

6 A. Yes.

7 Q. What account is that?

8 A. Avellino & Bienes Special Account.

9 Q. At Mr. Madoff's?

10 A. No, Avellino & Bienes Special Account
11 at Chemical Bank account number two.

12 Q. Are you aware of any claims that
13 anyone in the world has on the assets that are
14 set forth in Trustee's Exhibit 7?

15 A. No, I'm not.

16 Q. We talked a little bit about the
17 personal accounts, sir, that were identified in
18 Trustee's Exhibit 5. Do you recall that?

19 A. Yes.

20 Q. Could you tell us where the funds
21 that are in those accounts came from?

22 A. They came from contributions by the
23 Bienes family and the Avellino family.

24 Q. Well, more particularly, did any of
25 the funds come from the investments or the loan

1 Avellino

2 investments that were made with Bernard Madoff?

3 A. I don't understand the question.

4 Q. Well, we talked about how the
5 customers or the lenders contributed money,
6 contributed loan money and that that money was
7 then invested through Bernard L. Madoff.

8 A. Right.

9 Q. Correct?

10 A. Right.

11 Q. Did Avellino & Bienes receive any
12 funds through a commission or otherwise as a
13 result?

14 A. Any of the monies that were put in
15 personal accounts were as a result of any profits
16 we might have had over the years. That's the
17 only place.

18 Q. How were those profits realized?

19 A. They were realized by retaining a
20 percentage of whatever capital gains and
21 investments, dividends and interest income minus
22 the capital losses and minus whatever other
23 expenses were charged against that securities
24 account.

25 Q. Do you know whether there was ever a

1 Avellino

2 situation where someone sought to change their
3 address who was a lender?

4 A. Sought to change their address?

5 Q. Right, for example, wrote a letter
6 saying I'd like to have the checks sent somewhere
7 else?

8 MS. HANSWIRTH: Do you personally
9 know?

10 A. I just don't understand the
11 question. May I rephrase that and see if I
12 understand.

13 Q. Right, sure.

14 A. Has any lender ever told us to change
15 address?

16 Q. To which any of the proceeds of their
17 account would be sent?

18 A. That's done constantly.

19 That's done every day, probably.

20 Q. Is there a particular procedure that
21 you follow to respond to that inquiry?

22 A. Yes, yes. They send us a letter and
23 they tell us change the address from New York to
24 Florida, Florida to New York, we moved to
25 California, it's usually somebody moving.

1 Avellino

2 Q. And what steps are taken to insure
3 that that change of address is actually made and
4 that that person receives their account
5 statements or correspondence from Avellino &
6 Bienes?

7 A. Any address change request is made
8 from that particular lender. That person would
9 send us a letter and tell us to change it.

10 Q. Right, but what steps at Avellino &
11 Bienes were taken to insure that someone followed
12 through on that request?

13 A. Basically what you do is you get a
14 letter from someone that we are totally familiar
15 with and that's usually all of them instructing
16 us to change the address. That's all basically
17 you do, I mean, you don't do anything else. If
18 Mary Jones tells you to change my address from
19 New York to Florida, you do it because you know
20 Mary Jones. You have authorization from her.

21 Q. Well, but then for example just to
22 give you an idea where I'm heading here, did you
23 notify the people at the Optus Financial Services
24 of the change of address?

25 A. I'm sorry, yes. You're looking for

1 Avellino

2 the procedure.

3 Q. Correct, I'm sorry, my question was
4 poor.

5 A. We have a major portion of the
6 documentation that we haven't even addressed and
7 that's what we call a weekly report. I don't see
8 it in your exhibits but that's probably because
9 it gets disbursed as we enter it.

10 A weekly report is generated by the
11 New York office of Avellino & Bienes whereby we
12 make modifications as to address, as to whether
13 or not they want to roll over the interest for
14 the quarter, we make modifications when somebody
15 says please enclosed find a letter to transfer my
16 funds to the trust that I've just created for my
17 child.

18 So we transfer funds from one account
19 internally to another, we make modifications from
20 alternate address which means that the computer
21 has the ability to send a check for any
22 particular quarter to an alternate address
23 because people do move around from summer months
24 to winter months and that weekly report includes
25 the input of the deposits for that week which is

1 Avellino

2 the new money that has been added on to the loan
3 or new accounts at the time and it reduces the
4 accounts by the distributions that were made
5 because they returned the money to that
6 individual lender for that particular week.

7 That internal report is what we
8 generate here, is checked on here because it's a
9 voluminous check that wastes more time than
10 anything else we do in this office. Then it's
11 checked by two people on our staff literally
12 looking at the computer making sure the input on
13 that data sheet that goes to the computer in New
14 Jersey is accurate and then it's literally sent
15 over to the computer in New Jersey and inputted
16 by a separate group of people that have nothing
17 to do with us, independent of us, called Optus
18 Information Systems, so we have a checks and
19 balances.

20 Then when they input their figures
21 and we look at figures, we don't care about the
22 address because that'll be academic. If it's
23 sent to the wrong place, you're going to know
24 about it by the person that's supposed to have
25 received a particular check or statement.

1 Avellino

2 We get a weekly report as to what the
3 balances are which is really our control sheet
4 and the control sheet is that Exhibit 6 which is
5 literally sent back to New York, it's faxed at
6 the same time to Frank Avellino and at the same
7 time to Michael Bienes at our homes, so that we
8 at all times know what the balances are and what
9 the controls are and it's checked by New York and
10 New Jersey that no errors have been made. In the
11 event an error has been made it's immediately
12 found. It's like a bank, it's a clearing house.
13 When the reports do not correspond, they search
14 the files and make sure that the input which
15 could happen, is wrong at the New Jersey level.

16 Q. So you've made references to two
17 different weekly reports. One that's generated
18 by your office and transmitted over to New Jersey
19 and then a weekly report that essentially gives
20 you back the same information in a distilled form
21 by Optus?

22 A. Exactly.

23 Q. Is that correct?

24 A. Exactly. It's a control sheet, I
25 call this the control sheet.

1 Avellino

2 Q. The control sheet?

3 A. Right.

4 Q. The weekly report that is generated
5 by Avellino & Bienes, do you maintain copies of
6 that?

7 A. We should have them in-house. I
8 think -- I think Savina may have them and if they
9 are not here, Optus would have them, but we
10 should have them here but they are so voluminous
11 here that once the control sheet works after a
12 week or two or maybe even the quarter, I'm not
13 sure, because I don't look at that, it might be
14 destroyed or -- it should be in-house. I'm sure
15 you'd find some here if you ask for it.

16 Q. If we do find those records here, I
17 take it you have not done anything to alter those
18 records since the court entered its order?

19 A. Correct.

20 Q. And you know them to be true and
21 correct?

22 A. Yes.

23 Q. Are there any other categories of
24 documents that would assist us?

25 A. Not that I know of.

1 Avellino

2 Q. Could you explain to us the extent of
3 the partnership interest among the three
4 partners?

5 A. Avellino & Bienes is owned by three
6 partners as I've explained. Frank Avellino owns
7 50 percent, Diane Bienes owns 25 percent, Michael
8 Bienes owns 25 percent.

9 Q. What percentage of the partnership
10 profit and loss do each of the partners receive
11 on an annual basis?

12 A. The same proportionate percentage.

13 Q. Is there a partnership agreement?

14 A. As I explained when it was asked of
15 me once before, I think there is and that's --
16 could be found out and found by my attorney in
17 Florida.

18 Q. There is no copy of that agreement in
19 this office?

20 A. No, we don't keep any of that around
21 anywhere. I don't even know if I have one
22 personally to be honest with you.

23 Q. And your lawyers name in Florida who
24 would have the agreements?

25 A. Francis B. Brogan and it's Greenberg

1 Avellino

2 Traurig and it's I think it's 515 East Las Solas
3 Boulevard, Fort Lauderdale.

4 Q. What entity employs the individuals
5 who have been working here on the eighth floor at
6 Avellino & Bienes?

7 A. What entities?

8 Q. What entity employs them?

9 A. Avellino & Bienes.

10 Q. In other words, when they get their
11 paycheck, it's a paycheck from Avellino & Bienes?

12 A. Yes.

13 Q. Drawn on the Chemical Bank account?

14 A. Yes.

15 Q. Could you tell us about the existence
16 of any financial statements for Avellino & Bienes
17 for the period 1984 to the present?

18 A. The only financial statements that
19 exist were probably for Chemical Bank only when
20 we owed them money and that should be the sole
21 purpose if any did exist and I'm sure some have
22 existed, but other than that, there hasn't been
23 any since whenever we paid back the \$2,250,000
24 loan to Chemical Bank which could have been in
25 '87 or '88.

1 Avellino

2 Q. When did you apply for that loan?

3 A. We didn't apply for the loan at all.

4 It was one of those revolving things that
5 probably started out with a hundred thousand
6 dollars. Without asking for it, we got up to
7 2.25 uncollateralized and we voluntarily gave it
8 up in 1987 or '88 when it was -- when we had a
9 renewal period which was the eleven month renewal
10 period by law.

11 Q. So did you submit a financial
12 statement to Chemical Bank?

13 A. We may have.

14 Q. In order to get the line of credit?

15 A. They probably asked for one.

16 Q. So I'm not clear on what your
17 testimony is. Are you saying that you believe
18 that the only period for which a financial
19 statement was generated was when you were seeking
20 this line of credit from Chemical Bank?

21 A. Right, that was probably 1987 if I
22 recall correctly. I may have explained to many
23 other people before. Avellino & Bienes never
24 issued a financial statement to anyone, period.
25 There was never a need to.

1 Avellino

2 Q. With the exception of this
3 presentation to Chemical?

4 A. Of that particular loan, yes. If
5 they have records, I'm sure they still have it.

6 Q. Is there a copy of whatever was given
7 to Chemical Bank, the financial statement given
8 to Chemical Bank?

9 A. If it's 1988, maybe not. I wouldn't
10 say that there isn't, but you think maybe not.

11 Q. It may have been discarded?

12 A. Yes, we're on a tax basis and I'm
13 very emphatic about that over and over again.

14 Q. Do you know who prepared that
15 financial statement?

16 A. I do, I do.

17 Q. Do you maintain a copy of it?

18 A. I don't think so. If I have it, I
19 will get it for you. I don't even know, but I
20 think you could get one. If Chemical has
21 records, you'll get it from them.

22 Q. Would your counsel in Florida have a
23 copy of it?

24 A. No, he had nothing to do with this.

25 Q. So as I understand it, then, there

1 Avellino

2 are no other financial statements for Avellino &
3 Bienes other than the one that you've described?

4 A. As far as I know. I mean, if memory
5 serves me right, that's what it is.

6 Q. You have talked a little bit about
7 this line of credit that eventually worked its
8 way up to \$2.25 million?

9 A. Yes.

10 Q. Other than that loan or line of
11 credit or whatever you want to call it, did the
12 partnership ever borrow any money?

13 A. Yes it borrows \$442 million from
14 individual lenders.

15 Q. These are the lenders that are listed
16 in Trustee's Exhibit 7?

17 A. Yes.

18 Q. Other than those and the revolving
19 line of credit at Chemical Bank, are there any
20 other borrowings that Avellino & Bienes has made?

21 A. Not that I recall, no.

22 Q. Could you tell us what has been the
23 results of the partnership's profits and losses
24 for each year as reported on its federal income
25 tax returns from 1984 to 1991?

1 Avellino

2 A. I can't tell you 1984, but I could
3 tell you recently.

4 When the tax returns are examined
5 which I'm sure they will be because that's the
6 only source of examination you can do in my case,
7 there have been profits and there have been
8 losses over the years. And it's a unique
9 business because I won't explain it in this
10 testimony. We are not broker dealers, we do not
11 mark to market, so therefore we took advantage of
12 all of the laws available to us which means that
13 we had unrealized profits year after year after
14 year which we did not have to take. As a result,
15 you might have capital losses or net losses, all
16 legitimate, all exacting and all to the penny.

17 Q. Okay, understanding that, can we go
18 back to my question. Can you tell us the results
19 of the partnership profits and losses for each
20 year?

21 A. No, I would have to look at each one.

22 Q. You would have to look at the returns
23 to figure that out?

24 A. Sure, sure.

25 Q. But you could vouch for the accuracy

1 Avellino

2 of the federal income tax returns?

3 A. I should hope so.

4 Q. Did you sign them?

5 A. Yes, of course.

6 Q. And Mr. Bienes as well?

7 A. No, I signed them at partner and we
8 sign our own individual tax returns of course,
9 with our wives.

10 Q. And you'll make those available to
11 Price Waterhouse upon request?

12 A. By all means, yes, yes.

13 (A recess was taken.)

14 Q. I want to go back to Trustee's
15 Exhibit 5 which are the Bernard L. Madoff
16 statements that pertain to the personal
17 accounts.

18 A. Yes.

19 Q. Could you tell us, sir, I know the
20 funds in there have been frozen. Do you know
21 whether they are in the form of securities or
22 cash at this point?

23 A. They should be in the form of
24 liquid -- liquidated securities is all I know. I
25 haven't even bothered to look at it. Should be

1 Avellino

2 liquidated securities which I've been told will
3 be cash Monday morning. That's what I have been
4 told by the broker, of course.

5 Q. By Mr. Madoff?

6 A. Yes.

7 Q. Himself.

8 And I just want to go back to another
9 area that was unclear to me. In connection with
10 the loan arrangement that you had with the
11 various lenders, could you tell us what
12 percentage of the money that was made on their
13 funds was taken by Avellino & Bienes on an annual
14 basis, a monthly basis or whatever basis you did
15 it?

16 A. There was no set percentage. It was
17 just a matter of what we -- we paid people a
18 certain amount of interest and whatever was made,
19 over and above the interest and expenses,
20 belonged to Avellino & Bienes as a profit. What
21 percentage it was is very difficult to -- it
22 could vary from year to year. There were years
23 that if you look at the tax returns, you may have
24 a \$100 million loss because I've spent \$80
25 million in interest expense, \$20 million in

1 Avellino

2 margin interest expense and I may have had no
3 trading.

4 Q. So is it fair to say then that the
5 amount that would be taken varied from lender to
6 lender?

7 A. Taken? No, there was nothing taken.
8 Let's understand this.

9 Q. Well, the amount that would be
10 credited to Avellino & Bienes if you want to put
11 it that way, would it vary?

12 A. Could I describe the whole
13 function? I think it might clarify it for all of
14 us.

15 Q. Please do.

16 A. Avellino & Bienes borrowed money,
17 forget about the fact that they are individual
18 lenders at the moment, borrowed money, from
19 whomever we didn't care. It invested money on
20 its own behalf with a brokerage house namely
21 Bernard L. Madoff primarily if not only Bernard
22 L. Madoff, okay.

23 Bernard L. Madoff bought and sold
24 securities for the accounts of Avellino &
25 Bienes. We in turn at Avellino & Bienes owed

1 Avellino

2 interest to the lenders. Every quarter we would
3 pay interest to the lenders. It had nothing to
4 do with whether we made profits that quarter or
5 didn't make profits that quarter. All we did was
6 monitor the accounts with Bernard L. Madoff to
7 make sure that the accounts with Madoff
8 equaled the lending amount plus a cushion
9 to make it safe, to make it secure. That's all
10 we did.

11 So there is not we made a profit and
12 we distributed to our lender, we made a profit or
13 we didn't make a profit, we still paid our
14 interest expense.

15 Am I clear on that? Your question
16 is like we're taking a percentage of the
17 profits. We're not taking percentages of
18 anything.

19 Q. Well, you've mentioned that Avellino
20 & Bienes profited from investing the lender's
21 money?

22 A. No.

23 Q. In some way?

24 A. Profited from investing its money
25 that it borrowed. Big difference, major

1 Avellino

2 difference.

3 Q. If you could just take for example
4 the last quarter as an example and tell us how
5 the profit of Avellino & Bienes would have been
6 calculated on a regular basis?

7 A. The profit Avellino & Bienes is
8 calculated only once a year, it takes its
9 security positions, it takes its buys, executed
10 sales, you have a P&L which is a capital gain or
11 loss, you have dividend income, you have interest
12 income on the long positions. If you look at the
13 portfolios which you have in front of you, you
14 will see that if you look at September or August
15 or July, we had long positions in all of those
16 funds meaning that we had -- we owned the stock
17 and the stock is worth X amount of dollars. The
18 Securities and Exchange Commission monitored it
19 if you will, since probably June, July and
20 August, September, October and up to November 16
21 and they knew that the security position was
22 always greater than the loans payable. That was
23 their only monitoring device. How we calculate
24 the profits has nothing to do with what we paid
25 our lenders. Nothing. If I was short and there

1 Avellino

2 was a shortfall, I would be in trouble. It's
3 very simple, it's very simple in the sense that
4 if my security position is worth \$300 million,
5 and I owe \$400 million, somewhere I've got to get
6 a hundred million dollars I put them in jeopardy
7 so you think, but my attitude was I'm borrowing
8 money. Whether I borrowed it from Chemical for
9 \$2 million and gave it to Bernard L. Madoff to
10 invest on behalf of Avellino & Bienes has nothing
11 to do with what I took as profits. It has
12 nothing at all to do with that. I think we have
13 to understand that because if we don't understand
14 that, we're going to fall into the trap that the
15 SEC keeps making us try to fall into and that's
16 not so.

17 Q. Well, why didn't we do this for
18 purposes of today. I think that we have asked
19 Mr. Avellino enough questions to proceed with our
20 function for Monday and as I understand the order
21 you can correct me if I'm wrong Ms. Hanswirth, we
22 could continue the deposition of Mr. Avellino at
23 another point on other topics, or this topic so
24 what I would propose for today is that we simply
25 adjourn, leave the deposition open and we'll

1 Avellino

2 continue it if necessary. We won't continue it
3 if we don't deem it to be necessary. Is that
4 agreeable?

5 MS. HANSWIRTH: That's fine.

6 Q. To Mr. Avellino as well?

7 A. That's fine.

8 EXAMINATION BY MS. HANSWIRTH:

9 Q. Mr. Avellino, I'm showing you what
10 has been marked as Trustee Exhibit 5. It is a
11 statement from Bernard L. Madoff Inc. Investment
12 Securities and the account name is Frank J.
13 Avellino Trustee. Are you the settler of the
14 trust of which you are represented as the trustee
15 on that account?

16 A. Yes, I am.

17 Q. Who are the beneficiaries of that
18 trust?

19 A. I am, Frank J. Avellino.

20 Q. Are there any other beneficiaries?

21 A. No, there are not.

22 Q. Can you tell me why the account is in
23 the name of yourself as trustee?

24 A. Yes. I'm a Florida resident and have
25 been since 1980. Under Florida law, its citizens

1 Avellino

2 are permitted to have living trusts which
3 protects them from probate in the event of
4 death. It is organized, it is a document that is
5 filed with the state of Florida, it is created
6 for Frank J. Avellino in this case and the reason
7 it is a trustee is because I am the trustee of
8 Frank J. Avellino living trust and it has a date
9 on it, I believe it's June 10, 1988 or '89 and it
10 follows that the Florida law permits it and any
11 account that reads Frank J. Avellino trustee is
12 pertaining to the living trust that's created by
13 state law.

14 Q. Is there any person other than
15 yourself who has a beneficial ownership interest
16 in that account?

17 A. No.

18 Q. Is there anybody other than yourself
19 who has a legal interest in that account?

20 A. No.

21 Q. Other than any person involved in
22 this proceeding?

23 A. No, yes. In this case, whoever is
24 involved in this proceeding.

25 MS. HANSWIRTH: Thank you.

1 Avellino

2 EXAMINATION BY MS. IMES:

3 Q. Actually, there was one other thing
4 that you said that I need to follow up on, I'm
5 sorry.

6 A. Go right ahead.

7 Q. At some point, you were talking about
8 the money that came from the lenders and I think
9 you said that it was primarily if only invested
10 with Bernard L. Madoff? And the word "primarily"
11 was the one I'm focusing on.

12 A. Okay.

13 Q. Was there any other --

14 A. No.

15 Q. -- place it was invested besides
16 Bernard Madoff?

17 A. No, I could have. That's what I
18 meant by primarily. I could have invested it
19 anywhere I wanted because many of the people just
20 lent me money.

21 Q. Right, but in point of fact, you did
22 not?

23 A. No, not at all, it's all with Bernard
24 L. Madoff.

25 MS. IMES: That's all of my

Avellino

1
2 questions. That's it for today and I thank you,
3 sir, for your time. We'll continue later if
4 necessary.

5 A. Thank you.

6 (Time noted: 5:05 p.m.)

7
8 _____
9 FRANK J. AVELLINO

10
11 Subscribed and sworn to before me
12 this _____ day of _____, 1992.

1 Avellino

2 C E R T I F I C A T E

3 STATE OF NEW YORK)

4 : ss.

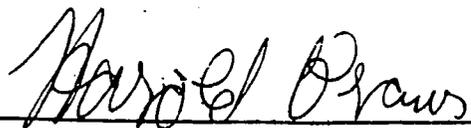
5 COUNTY OF NEW YORK)

6
7 I, HAROLD BROWN, a Certified
8 Shorthand Reporter and Notary Public within and
9 for the State of New York, do hereby certify:

10 That FRANK J. AVELLINO, the witness
11 whose deposition is hereinbefore set forth, was
12 duly sworn by me and that such deposition is a
13 true record of the testimony given by the
14 witness.

15 I further certify that I am not
16 related to any of the parties to this action by
17 blood or marriage, and that I am in no way
18 interested in the outcome of this matter.

19 IN WITNESS WHEREOF, I have hereunto
20 set my hand this 23rd day of November, 1992.

21
22 
23

24 HAROLD BROWN, C.S.R.
25

[Ng1]sec-AVELLINO-avellino 11-20 EXB

PAGE 6 LINE 18

1 MATCH

6 18 EXB (Trustee Exhibit 1 for
19 identification, eight pages of letters.)

PAGE 11 LINE 12

1 MATCH

11 12 EXB (Trustee Exhibit 2 for
13 identification, two pages of Chemical Bank
14 account statements.)

PAGE 15 LINE 15

1 MATCH

15 15 EXB (Trustee Exhibit 3 for
16 identification, sample file of the account of
17 Jacqueline Cotsen.)

PAGE 21 LINE 9

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21 9 EXB (Trustee Exhibit 4 for
10 identification, current statements for the
11 various accounts held at Bernard L. Madoff.)

PAGE 23 LINE 13

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23 13 EXB (Trustee Exhibit 5 for
14 identification, copies of records for account
15 number Personal Privacy and account number [REDACTED]
16 Personal Privacy .)

PAGE 24 LINE 23

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24 23 EXB (Trustee Exhibit 6 for
24 identification, one-page statement from Optus
25 Financial Services that says "Re totals.")

[Ngl]sec-AVELLINO-avellino 11-20 **EXB**

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26 18

EXB

(Trustee Exhibit 7 for

19

identification, document.)