

**Form ADV Part 2A - Firm Brochure:**

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**Item 1: Cover Page**

This brochure provides information about the qualifications and business practices of Fairfield Greenwich Advisors, LLC (hereafter “FGA”). FGA is a limited liability company organized under the laws of Delaware and is registered as an investment adviser under the Investment Advisers Act of 1940, as amended, since 2003.

If you have any questions about the contents of this brochure, please contact us at the number you see above, or at [fairfieldfunds@fggus.com](mailto:fairfieldfunds@fggus.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (hereafter “SEC”) or by any state securities authority, and registration with the SEC does not in and of itself imply a certain level of skill or training.

Additional information about FGA is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) at SEC file number 801-62504.

## **Item 2: Material Changes**

Between March 25, 2010 (the filing date of FGA's year end 2009 annual updating amendment) and February 28, 2011 (the filing date of FGA's year end 2010 annual updating amendment) the following significant changes have taken place:

1. There has been a decrease in the number of FGA's clients from 10 to 8, which is consistent with the fact that all of FGA's clients (i.e., private placement funds, or private investment funds) have been put into liquidation.
2. There has thus been a decrease in aum from approximately \$1 billion to approximately \$645 million.
3. On July 20, 2010, Irving Picard, the Trustee overseeing the liquidation of Bernard L. Madoff Investment Securities, Inc. (hereafter "BLMIS"), filed an Amended Complaint in the United States Bankruptcy Court for the Southern District of New York (the "Court") (Adv. Pro. No. 09-01239), and, while the original Complaint for this matter contained claims against only three entity defendants, the Amended Complaint added an additional 43 entities and individuals as defendants, including FGA. The Trustee is alleging that FGA was unjustly enriched by, and seeks the return of, fees received in connection with the management of private investment funds FGA was affiliated with and which had BLMIS as executing broker. On December 11, 2008, FGA learned, at the same time as the rest of the world, that BLMIS had defrauded those funds. The Trustee also alleges, under bankruptcy and debtor and creditor theories, fraudulent transfers, and turnover and accounting. FGA is vigorously defending itself against these claims. The case remains before Judge Lifland and there has been no final disposition or settlement.

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#### **Item 4: Advisory Business**

FGA is a limited liability company organized under the laws of Delaware and is registered as an investment adviser under the Investment Advisers Act of 1940, as amended. It is a wholly-owned subsidiary of Fairfield Greenwich Limited (hereafter “FGL”) an exempted company incorporated with limited liability under the laws of the Cayman Islands. An indirect owner is Fairfield International Managers, Inc. (hereafter, “FIM”), a Delaware corporation. FIM shareholders are Walter Noel and Jeffrey Tucker.

FGA provides managerial services to eight private investment funds (i.e., “clients”) established in the Cayman Islands, the British Virgin Islands, and Delaware. FGA serves as general partner to the one private investment fund which has been established in Delaware. FGA is not soliciting new clients or additional advisory business.

As a result of the December 11, 2008 revelation of massive fraud at BLMIS, and since that time, FGA has served primarily to liquidate the private investment funds described above (and more fully in its Form ADV Part I), and to distribute the resulting liquidation proceeds to underlying investors, all the while providing investor relations services to those investors. All of FGA’s clients are in various stages of liquidation. Since April 14, 2009 Sciens Fund of Funds Management Limited (not a related person) has served as sub-advisor to the continuing portfolios of certain private investment funds formerly advised by FGA, while FGA manages the liquidating portfolios of those private investment funds. Sciens and FGA share in the management fees of those continuing portfolios.

FGA has no non-discretionary mandates. As of January 31, 2011 FGA estimated the current value of the portfolios of its discretionary mandates (i.e., its eight clients) at approximately \$645,000,000.

#### **Item 5: Fees and Compensation**

FGA is compensated by a percentage of assets under management (hereafter, “management fee”), payable quarterly in arrears. FGA clients also pay for custodial and administrative services provided by non-affiliated third-parties, Union Bancaire Privée and Citco Fund Services (Europe B.V.). FGA clients also bear all other ongoing operating costs and expenses. Fees are deducted from clients’ assets. More complete information regarding fees and compensation is provided via private placement memorandum.

For certain of FGA’s remaining private investment funds, Union Bancaire Privée (hereafter “UBP”) had identified and evaluated potential investment opportunities in underlying funds as Investment Adviser, though since January 2009 it no longer serves in this capacity. UBP has also served, and continues to serve those private investment funds as Custodian however. At present UBP is primarily administering to the liquidation of FGA’s clients, as applicable. As noted, Citco also serves as Custodian and Administrator, as applicable, and also assists FGA in effecting the liquidation of its clients.

The private investment funds FGA organized were primarily marketed with substantial minimum subscription amounts to a select group of sophisticated, high net worth individuals (and investment vehicles controlled by, or established for the benefit of, such persons), investment partnerships and corporations, who generally met the “accredited investor” standards of Regulation D under the Securities Act of 1933 and the “qualified purchaser” standards of the Investment Company Act of 1940.

#### **Item 6: Performance-Based Fees and Side-By-Side Management**

NA

#### **Item 7: Types of Clients**

FGA provides managerial services to private investment funds (i.e., “clients”, or “hedge funds”) established in the Cayman Islands and in the British Virgin Islands, and serves as general partner to a private investment fund established in Delaware. These clients were primarily marketed with substantial minimum subscription amounts to a select group of sophisticated, high net worth individuals (and investment vehicles controlled by, or established for the benefit of, such persons), investment partnerships, and corporations, who generally met the “accredited investor” standards of Regulation D under the Securities Act of 1933 and the “qualified purchaser” standards of the Investment Company Act of 1940.

#### **Item 8: Methods of Analysis, Investment Strategies and Risk of Loss**

NA. All FGA clients are in the process of being liquidated.

#### **Item 9: Disciplinary History**

On December 11, 2008 FGA learned, at the same time as the rest of the world, that Bernard L. Madoff Investment Securities LLC (“BMIS”) had been operating what has come to be recognized as the most sophisticated and well-disguised Ponzi scheme in history. Among the many victims of the Madoff fraud were FGA and its principals and employees. BMIS served as executing broker for certain private investment funds (hereafter “master funds”) in which certain FGA-managed funds (hereafter “feeder funds”) had invested, and those master funds were defrauded by Mr. Madoff, which negatively impacted the feeder funds. Certain FGA principals invested side-by-side with investors in certain funds defrauded by Mr. Madoff, and as a result have, like many of those investors, suffered significant monetary losses.

Shortly after the revelation of the Madoff fraud, FGA became involved in civil litigation and later, the subject of an Administrative Complaint (see below). These actions arose from essentially the same set of facts - the fraudulent criminal conspiracy at BMIS. While the Administrative Complaint has been settled, FGA is vigorously defending itself from the civil litigation outlined below, plus other derivative cases. Further, it is important to

note that FGL has agreed to reimburse FGA for reasonable legal expenses incurred as a result of litigation or regulatory investigations related to BMIS.

***1. In the Matter of Fairfield Greenwich Advisors, LLC Fairfield Greenwich (Bermuda) Ltd., Docket No. E-2009-0028 (hereafter “Administrative Complaint”).***

On April 1, 2009 the Commonwealth of Massachusetts, Office of the Secretary of the Commonwealth, Securities Division filed an Administrative Complaint against FGA and a former advisory affiliate of FGA alleging violations of Section 110A of the General Laws of Massachusetts, the Massachusetts Uniform Securities Act and 950 Code of Massachusetts Regulations 10.00. Without admitting or denying the allegations, FGA and its former advisory affiliate entered into a Consent Order with the Massachusetts Securities Division on September 8, 2009. The Consent Order required FGA and its former advisory affiliate to permanently cease and desist from violations of the Massachusetts Uniform Securities Act, censured FGA and its former advisory affiliate, required payment of \$500,000 and required payment of restitution to all investors named in Exhibit A to the Consent Order.

***2. Anwar, et al., v. Fairfield Greenwich Limited, et al.*** is pending before Judge Marrero in the United States District Court for the Southern District of New York (Master File No. 09-cv-118). As a result of the Madoff fraud, FGA and other related companies and individuals have been named as defendants in putative class action litigation brought by investors in certain private investment funds managed by a former advisory affiliate of FGA. An Answer to the plaintiff’s Second Consolidated Amended Complaint (“SCAC”) was filed on October 15, 2010. While there has been no final disposition or settlement, certain claims filed against FGA and other defendants in the SCAC have been dismissed by Judge Marrero. FGA and the other related companies and individuals named in this action are vigorously defending themselves against the remaining claims.

***3. Irving H. Picard, Trustee for the Liquidation of Bernard L. Madoff Investment Securities LLC v. Fairfield Sentry Limited, et al.*** is pending before Judge Lifland in the United States Bankruptcy Court for the Southern District of New York (Adv. Pro. No. 09-01239). This case arose from the same set of facts as described above and FGA is one of 46 individuals and entities named as defendants. There has been no final disposition or settlement and FGA and the other related companies and individuals named in this action are vigorously defending themselves against these claims. FGA has yet to file an Answer. As against FGA, the Amended Complaint is rooted in clawback and bankruptcy theory derived primarily from federal and state bankruptcy and debtor and creditor law.

***4. Fairfield Sentry Limited v. Fairfield Greenwich Group, et al.*** was first filed in the Supreme Court of the State of New York but is now also pending before Judge Lifland in the United States Bankruptcy Court for the Southern District of New York (Adv. Pro. No. 10-03800). This case also arose from the same set of facts described above. There has been no final disposition or settlement and FGA and the other related companies and individuals named in this action are vigorously defending themselves against these claims. FGA has yet to file an Answer.

#### **Item 10: Other Financial Industry Activities and Affiliations**

FGA is a wholly-owned subsidiary of Fairfield Greenwich Limited ("FGL") an exempted company incorporated with limited liability under the laws of the Cayman Islands. FGL owns 35% of Lion Fairfield Capital Management Ltd. (hereafter "LFCM"), a Singapore based investment manager. LFCM has no role in the management or liquidation of any of the private investment funds which serve as FGA's clients.

#### **Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

A Code of Ethics (the "Code") has been adopted by FGA in order to comply with Rule 204A-1 (the "Rule") promulgated under the Investment Advisers Act of 1940, as amended. Rule 204A-1 requires every Investment Adviser registered with the Securities and Exchange Commission to adopt and enforce a written code of ethics applicable to its supervised persons. The Rule was designed to prevent fraud by reinforcing fiduciary principles that must govern the conduct of advisory firms and their personnel. The Code contains a provision reminding employees of their obligations to clients as well as a provision requiring the reporting of personal securities transactions and holdings. Further, FGA will attempt to resolve any conflicts of interest by exercising the good faith required of fiduciaries. FGA has provided training to its employees to ensure that the following general fiduciary principles are met: (a) the duty at all times to place the interests of clients of FGA first; (b) the duty to prevent the misuse of material nonpublic information which includes client securities holdings and transactions; (c) the requirement that all personal securities transactions be conducted in such a manner as to avoid any actual or potential conflict of interest or any abuse of an individual's position of trust and responsibility; and, (d) the fundamental standard that FGA personnel may not take inappropriate advantage of their position.

Investors may request a copy of the Code by contacting FGA at the address or telephone number listed on the first page of this document.

#### **Item 12: Brokerage Practices**

Prior to its decision to liquidate its platform of private investment funds, FGA had, in certain instances, full discretion and authority to make all investment decisions with respect to the types of securities to be bought and sold, and the amount of securities to be bought or sought for a particular client, and there were no limitations as to which broker dealer was used or as to the commission rates paid. Portfolio transactions were allocated to brokers on the basis of best execution and in consideration of brokerage and research services (e.g., research ideas, investment strategies, special execution and block positioning capabilities, clearance, settlement and custodial services), financial stability, reputation and efficiency of such broker-dealers. Broker-dealers providing such services may have been paid commissions in excess of those that other broker-dealers not providing such services might have charged.

Since the December 11, 2008 revelation of the BMIS fraud, FGA has exercised its discretion over its private investment funds and determined that it is in the best interest of the investors in these funds if the funds were liquidated. As a result, FGA has directed UBP and Citco to effect the liquidation of those FGA clients in which they respectively serve as qualified custodian and administrator.

Historically FGA received unsolicited research reports from various brokers, but currently does not have any “soft dollar” arrangements outside the parameters of Section 28(e) of the Securities Exchange Act of 1934, as amended, in effect.

#### **Item 13: Review of Accounts**

FGA’s Chief Financial Officer, Dan Lipton, in concert with a designee, has monitored the progress of the liquidation of its private placement funds. FGA receives monthly statements from its qualified custodians and has internet access to the portfolio and cash accounts. The portfolio information is updated monthly and the cash account information is updated daily. Registered shareholders and limited partners receive a monthly statement directly from the qualified custodian of the applicable private investment fund. FGA provides updates to registered shareholders and limited partners when distributions are made.

#### **Item 14: Client Referrals and Other Compensation**

NA

#### **Item 15: Custody**

FGA is deemed to have custody (as that term is defined by the SEC) of clients cash and securities by virtue of the fact that it serves as General Partner of one of its private placement funds. Client cash and securities of all FGA clients, though, remain in the custody (as that term is defined by the SEC) of third-party qualified custodians. Those custodians provide registered shareholders and limited partners with monthly account statements and an independent public accountant provides an annual audit of each private placement fund. The audited financial statements are distributed to the registered shareholders and limited partners.

#### **Item 16: Investment Discretion**

See Item 12, above.

#### **Item 17: Voting Client Securities**

In the absence of specific voting guidelines from the client, FGA will vote proxies in the best interests of each particular client. FGA’s policy is to vote all proxies from a specific issuer the same way for each client absent qualifying restrictions from a client. Clients are permitted to place reasonable restrictions on



FGA's voting authority in the same manner that they may place such restrictions on the actual selection of account securities. FGA will generally vote in favor of routine corporate housekeeping proposals such as the election of directors and selection of auditors absent conflicts of interest raised by an auditor's non-audit services. FGA will generally vote against proposals that cause board members to become entrenched or cause unequal voting rights.

In reviewing proposals, FGA will further consider the opinion of management and the effect on management, and the effect on shareholder value and the issuer's business practices. ***Conflicts of Interest:*** FGA will identify any conflicts that exist between the interests of the adviser and the client by reviewing the relationship of FGA with the issuer of each security to determine if FGA or any of its employees has any financial, business or personal relationship with the issuer. If a material conflict of interest exists, the CCO will determine whether it is appropriate to disclose the conflict to the affected clients, to give the clients an opportunity to vote the proxies themselves, or to address the voting issue through other objective means such as voting in a manner consistent with a predetermined voting policy or receiving an independent third party voting recommendation. FGA will maintain a record of the voting resolution of any conflict of interest.

#### **Item 18: Financial Information**

NA