

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

In the Matter of:)
) File No. OIG-509
OIG-509)

WITNESS: Witness No. 78

ORIGINAL

PAGES: 1 through 14

PLACE: Room 6002

Securities and Exchange Commission

100 F Street, N.E.

Washington, D.C. 20549

DATE: Wednesday, August 19, 2009

The above-entitled matter came on for hearing, via telephone, pursuant to notice, at 10:30 a.m.

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1 APPEARANCES:

2

3 On behalf of the Securities and Exchange Commission:

4 H. DAVID KOTZ, ESQ. Inspector General

5 HEIDI STEIBER, ESQ. Investigator

6 Office of Inspector General

7 Securities and Exchange Commission

8 100 F Street, N.E.

9 Washington, D.C. 20549

10 202-551-6033

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12 On behalf of the Witness:

13 RALPH TALARICO (Via telephone)

14 Union representative

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C O N T E N T S

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WITNESS

Peter A. Lamore

EXAMINATION

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1 PROCEEDINGS

2 MR. KOTZ: We are on the record at 10:30 a.m. on
3 August 19, 2009, at the United States Securities and Exchange
4 Commission, and I'm going to swear you in, Peter. If you
5 could raise your right hand, please?

6 MR. LAMORE: Okay.

7 Whereupon,

8 PETER A. LAMORE

9 was called as a witness and, having been first duly sworn,
10 was examined and testified as follows:

11 EXAMINATION

12 BY MR. KOTZ:

13 Q Please state and spell your full name for the
14 record.

15 A Peter A. Lamore, P-e-t-e-r, A, L-a-m-o-r-e.

16 Q Okay. Peter, my name is David Kotz. I'm the
17 Inspector General of the United States Securities and
18 Exchange Commission, and I have Heidi Steiber, my colleague
19 from the office of Inspector General here with me. This is
20 an investigation by the office of Inspector General, case
21 number OIG-509.

22 I'm going to ask you certain questions. You will
23 have to provide answers under oath. The court reporter will
24 record and later transcribe everything that is said. Please
25 provide verbal answers to the questions, particularly since

1 we are doing a telephonic testimony. The court reporter
2 won't be able to pick up a nod of the head or another
3 non-verbal response.

4 Also, so the record will be clear, please let me
5 finish my question before you provide your response. In
6 addition, it is important you understand the questions and
7 give accurate answers. If there is anything you do not
8 understand, or anything you do not know or are not sure
9 about, please let me know, otherwise I will assume that you
10 heard and understood the question.

11 Do you understand those instructions?

12 A I do.

13 Q Okay. In addition, your responses and statements
14 given today are provided after you have sworn an oath, and
15 will be taken down verbatim by the court reporter. This is
16 an official U.S. government law enforcement investigation.
17 The claims asserted in this case are serious ones. It is
18 very important you tell me everything you know about the
19 matter at hand and are completely forthcoming and truthful
20 with me.

21 I am formally advising you your testimony today is
22 subject to the laws of perjury. Providing false or
23 misleading testimony under oath is a very serious offense.
24 If the evidence shows the testimony you have given is false,
25 we may refer it as appropriate.

1 Do you understand those instructions?

2 A I do.

3 Q And just for the record, you have with you Ralph
4 Talarico, your union representative, is that right?

5 A That's correct.

6 Q Okay, Peter. I just have a few questions. I want
7 to take you back in time to the period when you conducted an
8 examination on behalf of the SEC of Bernard Madoff's firm.
9 Did you have occasion when you were on site at Madoff's firm
10 to meet Elaine Solomon, who worked as Peter Madoff's
11 secretary?

12 A I know who you're referring to. She's a red-headed
13 woman who sat outside of the office where we conducted the
14 exam, but I really had minimal interaction with her during
15 the exam, except for maybe to ask for the bathroom key.

16 Q Okay. Let me ask you about this. Ms. Solomon has
17 made a few statements that were quoted in a book, and we
18 actually took her testimony as well. She stated that when
19 SEC staffers were in Madoff's firm's offices to do
20 examinations or audits, they would inquire about job openings
21 with Madoff's firm.

22 Did you ever inquire with Ms. Solomon or anyone
23 else at Madoff's firm about a possible job at Madoff's firm
24 while you were working as an examiner for the SEC?

25 A Absolutely not. That's completely false.

1 Q Did you at any point in time ever say can you drop
2 off your resume with Ms. Solomon or anyone else at Madoff's
3 firm while you were working as an examiner for the SEC?

4 A Absolutely not, completely false.

5 Q And Ms. Solomon also was quoted in the book that a
6 couple of SEC staffers actually did drop off a resume. Did
7 you ever drop off a resume with Ms. Solomon or anyone else at
8 Madoff's firm while you were working as an examiner for the
9 SEC?

10 A Absolutely not.

11 Q Do you know of any SEC staffer who ever did either
12 inquire about a job opening or a resume, or drop off a
13 resume?

14 A No.

15 Q Okay. And to your knowledge, Mr. Ostrow never did
16 that as well?

17 A Absolutely not.

18 Q Okay. Do you think there's any possibility that
19 somebody might have said something as a joke that could have
20 been misconstrued? The offices looked nice and somebody
21 said, "Oh, this might be nice to work here. I wonder what it
22 would be like not to work for the government"? Is there any
23 possibility of that?

24 A No, absolutely not.

25 Q Now Ms. Solomon also stated that after Bernie

1 Madoff confessed in 2008, she saw an auditor who had
2 previously worked on an examination for the SEC prior to
3 Madoff confessing, and confronted that auditor and said --
4 and I'm going to give you her exact phrase, "If you had done
5 your fucking job in the first place, we wouldn't be in this
6 mess."

7 Did you have an interaction with Ms. Solomon after
8 Bernie Madoff confessed when you were in Madoff's firm's
9 offices?

10 A I passed her, probably at her desk. I may have
11 asked her to use the copier, but nothing of that was ever
12 said to me.

13 Q Okay. Do you remember her saying anything to you
14 at all?

15 A No.

16 Q Did you get the impression that Ms. Solomon had
17 recognized you from when you were there previously?

18 A I think Bernie's secretary recognized me, but not
19 her. I don't remember her ever saying anything. Bernie's
20 secretary may have said something like, "I remember you from
21 before."

22 Q And you don't remember anything about her yelling
23 at you or making a comment involving a profane word?

24 A Absolutely not. That's completely false.

25 Q Do you know if anyone else who was there ever made