

## Memorandum of Interview of Ken Liebl

On August 17, 2009, David Kotz and Christopher Wilson conducted an interview with NERO Branch Chief (Broker-Dealer Inspection Program) Ken Liebl by phone.

Mr. Liebl started as securities compliance examiner at the SEC in 1989 after graduating from Hofstra University with a BBA in Accounting.

He recalled he conducted a broker dealer examination of BMIS with SEC compliance examiner [New York Examiner] in 1990. He stated it was one of his first broker dealer examinations. He recalled BMIS was not a traditional retail broker-dealer business in that it was a third market broker dealer. He thought that it was a routine examination of BMIS. He recalled he was on-site at BMIS, but could not recall whom he dealt with at BMIS. He did not recall the examinations findings. He reported that all of his records were destroyed in the 9/11 terrorist attacks.

He thought [Personal Privacy] [sic] was his supervisor at the time of the examination of BMIS.

## Memorandum of Interview of Demetrios Vasilakis

On August 17, 2009, David Kotz and Christopher Wilson conducted an interview with former SEC Examiner Demetrios Vasilakis.

Mr. Vasilakis received his undergraduate degree from Hofstra University in 1990 and an MBA from NYU in 1995. In 1990, Vasilakis started at the SEC as a securities compliance examiner. He is listed as an examiner for two examinations of BMIS in 1990 and 1993. He did not recall either examination of BMIS. The 1990 NERO 0118 examination of BMIS would have been shortly after he started at the SEC. The 1993 NERO 0015 examination of BMIS was three years later. He thought it could be that the examinations of BMIS were on a three-year cycle. Vasilakis is listed as the sole examiner for the 1993 NERO 0015 examination, but he did not believe he ever went on an examination as the only examiner. He did not believe that the 1990 NERO 0118 and 1993 NERO 0015 were related to the 1992 examination and investigation of Avellino & Bienes.

Vasilakis stated that in a routine broker dealer examination examiners would look at net capital and clearing information.