

IA/IC tip regarding Madoff

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From: McCarthy, John A.
To: Richards, Lori A. Personal Privacy
Cc: Swanson, Eric J.

Lori:

Regarding the tip IA/IC received about Madoff. A compliance officer at an investment adviser notified Mavis that he was concerned about the returns Fairfield was posting. He said that he was aware that Madoff was running Fairfield using a strategy called a split strike conversion or option something or other, that he was very familiar with that strategy, and that from his perspective, it would have been impossible for Madoff/Fairfield to post the returns they have using this strategy. We would like to contact this compliance officer and get a better understanding of how this strategy is supposed to work.

Eric

