

**RE: Resubmitted Madoff SEC Meeting.doc**

11/10/2005 11:51:59 AM

**From:** Lamore, Peter  
**To:** Nee, John

---

Gotcha, I agree with you.

I'll let you know if anything interesting comes out of the meeting next week. I must admit that was a bit spooked when you first forwarded me the string of e-mails between the Boston and New York SEC offices (Ponzi scheme getting ready to crash), but after having just read the "informant's" analysis I feel much better that he is incorrect. Enjoy the long weekend!

---

**From:** Nee, John  
**Sent:** Thu 11/10/2005 11:42 AM  
**To:** Lamore, Peter  
**Subject:** RE: Resubmitted Madoff SEC Meeting.doc

No, Pete, I don't have anything to add. I think the report speaks for itself. There is still a little mystery as to what Madoff does but a Ponzi scheme or directly trading on immediate customer order flow doesn't likely from what we've seen.

Thanks,

John

---

**From:** Lamore, Peter  
**Sent:** Thursday, November 10, 2005 11:17 AM  
**To:** Nee, John; Ostrow, William D.  
**Subject:** FW: Resubmitted Madoff SEC Meeting.doc

I'm going to meet with Meaghan and Simona on Monday @ 3:00 to provide my input regarding these allegations.

In short, these are basically the same allegations we have heard before. The author's motives are to make money by uncovering the alleged fraud. I think he is on a fishing expedition and doesn't have the detailed understanding of Madoff's operations that we do which refutes most of his allegations....Any thoughts?

---

**From:** Cheung, Meaghan S.  
**Sent:** Thu 11/10/2005 10:31 AM  
**To:** Lamore, Peter  
**Subject:** FW: Resubmitted Madoff SEC Meeting.doc

**From:** Harry Markopolos [mailto:Personal Privacy]  
**Sent:** Monday, November 07, 2005 1:13 PM  
**To:** Cheung, Meaghan S.  
**Cc:** Personal Privacy  
**Subject:** Resubmitted Madoff SEC Meeting.doc

Meaghan,

1. I spent some time over the weekend further improving my analysis on why Madoff Investment Securities, LLC is likely a Ponzi Scheme (although there is a slight chance the returns are real but accrue from front-running customer order flow).
2. I added an Attachment 4, pages 6 and 7, from an offering memorandum by Fairfield Sentry that was faxed to my office on March 21, 2001.
3. The entire report ties in to Fairfield Sentry Ltd., a third party hedge fund, fund of funds, that has over \$5 billion invested in Madoff Investment Securities, LLC. Hopefully all of my entries foot to the 4 attachments a lot better than the version I sent you on Friday.
4. I am out of the office all day on Tuesday, November 8th, but available the rest of the week to teleconference if you would like me to answer any questions.
5. I also added some clarifying language in the event this case involves front-running under the SEC's Section 21A(e) of the 1934 Act bounty program for whistleblowers. My attorney and I spent significant time on another case where we negotiated with Personal Privacy now a deputy in the SEC's enforcement branch in Washington, regarding qualifying insider-trading cases under the Section 21A(e) bounty program. Basically the reward applies only to insider-trading theory cases.

Thank you,

Harry

CC: Attorney

Not Related to Madoff, Personal Privacy