

**RE: Madoff: Fairfield Greenwich Production**

12/13/2005 5:46:43 PM

**From:** Lamore, Peter  
**To:** Suh, Simona Personal Privacy

Ok. I'll give you a call tomorrow morning and setup a time for either late morning or early afternoon.

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**From:** Suh, Simona  
**Sent:** Tuesday, December 13, 2005 4:41 PM  
**To:** Lamore, Peter  
**Subject:** RE: Madoff: Fairfield Greenwich Production

I am around and have nothing scheduled on either day, so just let me know when you would like to stop by.

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**From:** Lamore, Peter  
**Sent:** Tuesday, December 13, 2005 4:36 PM  
**To:** Suh, Simona  
**Subject:** RE: Madoff: Fairfield Greenwich Production

Hi Simona,

I will definitely make time to help review these documents. The options strategy/account is an issue because Madoff specifically told us that he stopped incorporating options as of January 1, 2004 because it became too complicated....

I am available tomorrow afternoon and Thursday morning. I am out this Friday and Monday, Tuesday and Wednesday of next week. Next Thursday, I will be going to the field to conduct an interview, but I'm not sure of the time yet. I am available next Friday too.

In order to obtain as much information about BLM and Fairfield Greenwich as possible, I recommend that you ask for copies of the monthly statements, performance data, and newsletters that the administrators of the two relevant funds send to investors.

Let me know if you are available tomorrow afternoon or Thursday morning to discuss the documents and our review.

Peter Personal Privacy

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**From:** Suh, Simona  
**Sent:** Tuesday, December 13, 2005 3:24 PM  
**To:** Lamore, Peter; Cheung, Meaghan S.  
**Subject:** RE: Madoff: Fairfield Greenwich Production

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**From:** Suh, Simona  
**Sent:** Tuesday, December 13, 2005 3:17 PM  
**To:** Lamore, Peter; Cheung, Meaghan S.  
**Subject:** Madoff: Fairfield Greenwich Production

Fairfield Greenwich produced 11 binders of documents last Thursday. Ten of those binders contain account statements and trade confirmations, one – general fund documents such as subscription materials, private placement memoranda, etc. Fairfield Greenwich did not produce the monthly statements with performance data that the administrators of the two relevant funds (Citco Fund Services (Europe) B.V. for Fairfield Sentry Limited and GlobeOp Financial Services, LLC for Greenwich Sentry, L.P.) send directly to investors, but offered to request and produce them, if we ask. Fairfield Greenwich did produce account statements and trade confirmations that it receives from Madoff. (Although Fairfield Greenwich did not expressly represent that these documents came from Madoff, they are on Madoff letterhead and are addressed to Fairfield Greenwich Group.) Thus, with the data produced so far, it looks like we should be able to verify whether the information Madoff provided to Fairfield Greenwich matches the data Madoff gave to Peter and his team, but we will need to make an additional request if we decide to try matching this data with the information that Fairfield Greenwich provides to its investors.

While I have not yet completed the review of the general binder, one odd discrepancy did catch my eye. As you know, Madoff told Peter that he stopped using options as part of his trading strategy in January 2004. Yet the account statements and trade confirmations produced by Fairfield Greenwich show trading in S&P 100 Index options all through 2004 and up to October 2005, the last month for which data was produced. Furthermore, Fairfield Greenwich's cover letter (attached) and the documents I have reviewed so far continue to refer to the Split Strike Conversion Strategy. Moreover, the CD with account statements that Madoff produced to Peter and his team does not include statements for three accounts and one sub-account in the Fairfield Greenwich production: FN045 (equity trading account of Fairfield Sentry Limited); FN069 & FN070 (options trading accounts of Fairfield Sentry Limited); and G0092-4 (options trading sub-account of Greenwich Sentry, L.P.) (I compared a few random trades in the January 2005 statements for the other Fairfield Sentry Limited equity trading account, FN012, and the trades on the Madoff CD and on the produced statement matched – but the sample was admittedly too small for any serious conclusions.)

Peter, would you have time to take a look at the data to see if I am missing some obvious – and innocent - explanation for this? (I understand that Madoff also said during the examination that his clients may hedge his strategy themselves, without his advice, but there is nothing in the cover letter or the documents I have reviewed so far to indicate that Fairfield Greenwich is doing that.)

Thank you!

*Simona K. Suh*

*U.S. Securities and Exchange Commission*

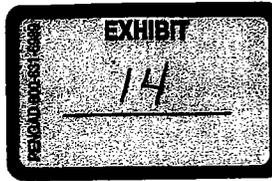
*Northeast Regional Office, Division of Enforcement*

*3 World Financial Center, Room 4300*

*New York, NY 10281*

Personal Privacy





12/15/2005 12:23:02 PM

**RE: Madoff**

**From:** Bachenheimer, Doria G.  
**To:** Cheung, Meaghan S. [CheungM@SEC.GOV]

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Sure

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**From:** Cheung, Meaghan S.  
**Sent:** Thursday, December 15, 2005 11:17 AM  
**To:** Bachenheimer, Doria G.  
**Subject:** madoff

Do you have a few minutes to talk about Madoff? It may actually be something of concern since Madoff failed to produce a whole set of accounts to the examiners. In those accounts he's using the option strategy that he told our examiners that he was no longer using. He seems to have failed to disclose to the examiners several billion dollars worth of options accounts.