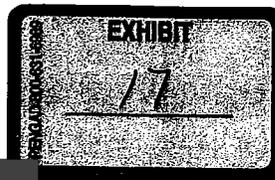


FW: Madoff - options strategy**From:** Bachenheimer, Doria G.**To:** Cheung, Meaghan S. [CheungM@SEC.GOV]; Suh, Simona

12/29/2005 12:13:11 PM

When Peter has finished his review of the trading, let's call Bill Dale in OEA – he may be able to give us general advice and he may also be able to help us find something by analyzing the trading.

From: Sollazzo, Robert A.**Sent:** Thursday, December 29, 2005 10:56 AM**To:** Bachenheimer, Doria G.**Cc:** Cheung, Meaghan S.; Suh, Simona**Subject:** RE: Madoff - options strategy

Doria

Peter is one of our most knowledgeable staffers in respect to trading practices. We don't have anyone in BD who is particularly knowledgeable in options trading. I would think that Peter should be able to work through and understand much of the activity.

BOBS

From: Bachenheimer, Doria G.**Sent:** Thursday, December 29, 2005 10:29 AM**To:** Sollazzo, Robert A.**Cc:** Cheung, Meaghan S.; Suh, Simona**Subject:** Madoff - options strategy

The Madoff investigation took an interesting turn. Contrary to what Madoff told our exam team, he is trading options for at least one hedge fund. Peter is looking at the trading records for us (he's been very helpful) but I was wondering if you can direct us to someone in the office who is particularly knowledgeable about options trading. Thanks.

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