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Hearing Date: August 19, 2014
Time: 10:00a.m.

Objection Deadline: August 12, 2014
Time: 5:00p.m.

*Attorneys for Irving H. Picard, Trustee for the substantively
consolidated SIPA Liquidation of Bernard L. Madoff Investment
Securities LLC and the estate of Bernard L. Madoff*

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

SECURITIES INVESTOR PROTECTION
CORPORATION,

Plaintiff,

v.

BERNARD L. MADOFF INVESTMENT
SECURITIES LLC,

Defendant.

Adv. Pro. No. 08-01789 (SMB)

SIPA LIQUIDATION

(Substantively Consolidated)

In re:

BERNARD L. MADOFF,

Debtor.

IRVING H. PICARD, Trustee for the Liquidation of
Bernard L. Madoff Investment Securities LLC,

Plaintiff,

v.

THE ESTATE OF MARK D. MADOFF, ANDREW
H. MADOFF, individually and as Executor of the
Estate of Mark D. Madoff, and STEPHANIE S.
MACK.

Defendants.

Adv. Pro. No. 09-1503 (SMB)

**MEMORANDUM OF LAW IN SUPPORT OF TRUSTEE’S MOTION FOR LEAVE TO
FILE A THIRD AMENDED COMPLAINT**

I. INTRODUCTION

Irving H. Picard (the “Trustee”), as trustee for the liquidation of the business of Bernard L. Madoff Investment Securities LLC (“BLMIS”) and the substantively consolidated estate of Bernard L. Madoff (“Madoff”) under the Securities Investor Protection Act, 15 U.S.C. §§ 78aaa, *et seq.* (“SIPA”), by his undersigned counsel, seeks leave under Rule 7015 of the Federal Rules of Bankruptcy Procedure and Rule 15 of the Federal Rules of Civil Procedure to file a Third Amended Complaint (the “TAC”), substantially in the form attached hereto as Exhibit 1.

The Trustee commenced this action against the Madoff family members in 2009. Since that time, and as a result of the Trustee’s ongoing investigation into Madoff’s fraud, the Trustee amended his complaint in 2011 and 2012 to include additional family member defendants (namely, the spouses and former spouses of Andrew Madoff and Mark Madoff (the “Madoff Brothers”)), as well as additional avoidable and recoverable initial and subsequent transfers. The Trustee has subsequently settled and/or discontinued his action against Peter Madoff (Bernard Madoff’s brother and BLMIS’s Senior Managing Director and Chief Compliance Officer)¹,

¹ Peter Madoff pleaded guilty to conspiracy and falsifying books and records of an investment adviser in connection with his role in the Ponzi scheme. Peter Madoff admitted that he knew statements being made to the SEC about the IA business, including the number of accounts and money under management, were entirely false. Peter Madoff agreed to forfeit “all property, real and personal, that constitutes or is derived from proceeds traceable” to the commission of his offenses. Specifically, Peter Madoff forfeited \$143.1 billion dollars and other assets including his primary residence, his vacation homes, and his car.

Shana Madoff (Bernard Madoff's niece, Peter Madoff's daughter, and BLMIS's Compliance Director)², Susan Elkin (Mark Madoff's ex-wife) and Deborah Madoff (Andrew Madoff's wife).

This amendment addresses the current legal standards and added pleading burden on the Trustee in light of the multiple district court decisions affecting this proceeding. It also removes all dismissed defendants,³ and the factual allegations and claims asserted against them in the Second Amended Complaint. The TAC focuses its factual allegations on the wrongful conduct of the remaining defendants, the Madoff Brothers and Mark Madoff's widow, Stephanie Mack, and expands the relief sought relating to their claims against the estate.⁴

The Trustee should be granted leave to amend the Second Amended Complaint because there has been no undue delay or bad faith, the TAC will not unduly prejudice the Defendants, the TAC is not futile, and there has been no failure to cure any defects with prior amendments. The TAC is necessary to eliminate allegations and claims against settled defendants no longer in the litigation.

² Shana D. Madoff is Bernard Madoff's niece, the Madoff Brothers' cousin, and Peter Madoff's daughter. At various times, Shana Madoff held herself out as Compliance Counsel, in-house Counsel, and Compliance Director of BLMIS. Shana Madoff was an experienced investment professional who, along with her father, Peter Madoff, and her uncle, Bernard Madoff, was responsible for overseeing all compliance-related activities at BLMIS. Shana Madoff sold her multi-million dollar vacation home in East Hampton, New York and applied the proceeds of the sale towards her father's forfeiture.

³ In February 2013, following his criminal conviction and forfeiture of assets, Peter Madoff (Bernard Madoff's brother and BLMIS's Senior Managing Director and Chief Compliance Officer) consented to a final judgment of Ninety Million Three Hundred Ninety Thousand Five Hundred Dollars (\$90,390,500.00), and the Trustee agreed to abstain from enforcing the judgment subject to Peter Madoff's cooperation in the recovery of funds for the BLMIS estate. In March 2013, the Trustee dismissed Peter Madoff's daughter and BLMIS's Compliance Director, Shana Madoff. In March 2014, the Trustee settled with Susan Elkin (Mark Madoff's ex-wife), and in May 2014, dismissed Deborah Madoff (Andrew Madoff's wife).

⁴ The TAC also reduces the transfers allegations against the Madoff Brothers and Defendant Stephanie Mack and provides additional specificity concerning the Madoff Brothers' compensation from BLMIS.

II. DEFENDANTS' CONSENT WAS REQUESTED

On Monday, July 7, 2014, the Trustee notified the Defendants' counsel of his intent to file the TAC and provided Defendants' counsel with a copy of the TAC. The Trustee requested that Defendants' consent to leave to file on or before Friday, July 11, 2014. The Trustee subsequently granted all defense counsel until close of business on Monday, July 14, 2014 to consent to the Trustee's filing of the TAC pursuant to a request made by the Madoff Brothers' counsel for additional time. No response was received.

III. STANDARD FOR GRANTING LEAVE TO AMEND

Rule 15 of the Federal Rules of Civil Procedure, which applies to this adversary proceeding under Federal Rule of Bankruptcy Procedure 7015, allows a party to amend its pleading upon leave of the court, which shall be "freely give[n]...when justice so requires." Fed. R. Civ. P. 15(a)(2). *See In re M. Fabrikant & Sons, Inc.*, 394 B.R. 721 (Bankr. S.D.N.Y. 2008). "It is settled that the grant of leave to amend the pleadings pursuant to Rule 15(a) is within the discretion of the trial court." *Zenith Radio Corp. v. Hazeltine Research, Inc.*, 401 U.S. 321, 330 (1971) (citing *Foman v. Davis*, 371 U.S. 178, 182 (1962)). On a motion for leave to amend, a court need not decide the merits of a proposed claim "but merely satisfy itself that it is colorable and not frivolous." *Sumitomo Electric Research Triangle, Inc. v. Corning Glass Works*, 109 F.R.D. 627, 628 (S.D.N.Y. 1986).

The Supreme Court has directed that leave to amend should be granted if the claims asserted constitute proper subjects of relief, and the following barriers to amendment are not present: (i) evidence of undue delay or bad faith; (ii) undue prejudice to defendants if leave is granted; (iii) futility of amended claims; and (iv) repeated failure to cure deficiencies by amendments previously allowed. As the *Foman* Court explained:

If the underlying facts or circumstances relied upon by a plaintiff may be a proper subject of relief, he ought to be afforded an opportunity to test his claim on the merits. In the absence of any apparent or declared reason—such as undue delay, bad faith or dilatory motive on the part of the movant, repeated failure to cure deficiencies by amendments previously allowed, undue prejudice to the opposing party by virtue of allowance of the amendment, futility of amendment, etc.—the leave sought should, as the rules require, be ‘freely given.’

Foman, 371 U.S. at 182; *see also Sumitomo*, 109 F.R.D. at 628-629. The Second Circuit has explained that leave to amend shall be freely given “if the [movant] has at least colorable grounds for relief...unless the [movant] is guilty of undue delay or bad faith or unless permission to amend would unduly prejudice the opposing party.” *S.S. Silberblatt, Inc. v. East Harlem Pilot Block Building 1 Housing Dev. Fund Co., Inc.*, 608 F.2d 28, 42 (2d Cir. 1979). None of the circumstances that support denial of leave exist here, and the Court should grant the Trustee’s motion.

IV. THE TRUSTEE SHOULD BE GRANTED LEAVE TO FILE A THIRD AMENDED COMPLAINT

The Trustee should be granted leave to file the TAC because there has been no undue delay or bad faith, the TAC will not unduly prejudice the remaining Defendants, the TAC is not futile, and there has been no failure to cure any defect in prior amendments. The TAC essentially sets forth the allegations and claims that have already been asserted in the Second Amended Complaint, focusing on the remaining Defendants and the current law of the case.

A. The Trustee Has Acted In Good Faith And Without Delay

The Trustee has acted in good faith and without undue delay in seeking leave to file the Third Amended Complaint.

Despite the passage of some time since the Second Amended Complaint was filed, the Trustee has not unduly delayed in seeking leave to amend. As discussed above, during the intervening period, the Trustee dismissed Peter Madoff, Shana Madoff, Susan Elkin, and

Deborah Madoff from this action. During this time, the litigation was essentially held in abeyance as the parties waited for district court rulings on legal issues affecting this proceeding.

After the Second Amended Complaint was filed, the district court issued opinions on numerous legal issues, including the applicability of sections 502(d), 546(e), and 550(a) of the Bankruptcy Code, the measure and burden of proving “value” and “good faith” under section 548(c), the impact of the United States Supreme Court’s decision in *Stern v. Marshall*, 131 S. Ct. 2594 (2011), and the Trustee’s standing to assert common law claims against third parties on behalf of the debtors’ estate and their creditors. These decisions include the district court’s ruling in December 2013, where it held that the Trustee is barred from asserting common law claims against the Madoff Brothers’ spouses under the *in pari delicto* doctrine. Many of these decisions were rendered in the last few months and impact the Trustee’s claims in this litigation to the point that amendment is necessary and appropriate.

Both the Trustee’s dismissal of multiple defendants and the district court’s recent decisions affecting this adversary proceeding make amendment necessary and ripe.

B. There Is No Prejudice To Any Defendant

The Defendants will not be prejudiced if the Court grants the Trustee leave to amend the Second Amended Complaint. Legal prejudice involves, *inter alia*, consideration of whether the new claim would require the opposing party to expend significant additional resources to conduct discovery or prepare for trial and whether the amendment would significantly delay the resolution of the case. *Block v. First Blood Assocs.*, 988 F.2d 344, 350 (2d Cir. 1993). The TAC would not broaden the scope of discovery nor does the TAC present a “sharp change in litigation strategy.” *Roller Bearing Co. of Am., Inc. v. Am. Software, Inc.*, 570 F. Supp. 2d 376, 384 (D. Conn. 2008).

The TAC does not add any parties or new claims. As stated above, it reorganizes the same factual allegations in the Second Amended Complaint to focus on the Trustee's claims against the remaining Defendants in light of the managerial and supervisory roles the Madoff Brothers played in the family business, and their unique relationship to the primary fraudster—their father. The Trustee's unjust enrichment claim in the TAC focuses on the Madoff Brothers' lavish lifestyles supported by IA customer money stolen from Madoff's innocent victims, as well as the Madoff Brothers' knowledge of, and/or willful blindness to:

- fictitious and backdated trades that occurred in their own IA accounts;
- fabricated account statements created out of thin air when they needed to show substantial assets in connection with real estate purchases;
- \$800 million diverted from the IA business and funneled to the market-making and proprietary trading business that they managed in order to make those businesses appear profitable and to justify their excessive compensation notwithstanding that these business units were losing money;
- in-depth knowledge of the company's actual financial condition;
- concealment of evidence from the SEC in the course of the SEC examinations; and
- specific involvement in the IA business and with IA customers through the examples discussed in the TAC.

Based upon their wrongful and inequitable conduct, including but not limited to the above, the Second Amended Complaint sought disallowance of the claims the Defendants filed against the estate under section 502(d) of the Bankruptcy Code (Count 10 of the Second Amended Complaint) and equitable subordination of those claims under section 510(c) of the Bankruptcy Code (Count 11 of the Second Amended Complaint). The TAC expands upon the legal ground supporting disallowance under section 502 of the Bankruptcy Code to include 502(b)(1), as well as equitable grounds for disallowance in addition to equitable subordination of

the Defendants' claims, none of which will necessitate discovery beyond that contemplated under the Second Amended Complaint.

Although all of the Defendants with the exception of Stephanie Mack have responded to the Second Amended Complaint, no updated pre-trial scheduling order has been entered, and the litigation effectively has been held in abeyance as the parties awaited the district court decisions on issues affecting the litigation. In the interim, the Trustee has produced more than 800,000 pages of documents to Defendants, although the Defendants have not reciprocated with any meaningful discovery to date. *Cf. S.S. Silberblatt*, 608 F.2d at 42 (finding trial court erred in denying motion for leave to amend as defendant would not be prejudiced if appellant were allowed to assert a new claim against it even though the parties had engaged in "extensive discovery for over two years"). No depositions have been scheduled or taken, and expert discovery has not begun. In short, the Defendants cannot claim they will be prejudiced by what is largely a streamlining of the allegations and claims previously made in the Second Amended Complaint.

C. The TAC Is Not Futile

The TAC does not seek to revive previously dismissed claims. *See Sumitomo*, 109 F.R.D. at 628 (explaining to grant leave to amend, the court must "merely satisfy itself that it is colorable and not frivolous"). The TAC focuses on the factual allegations and viable claims for relief against the Madoff Brothers and Stephanie Mack in light of the current state of the law. *Compare, e.g. Picard v. Katz*, 462 B.R. 447, 456 & n.9 (S.D.N.Y. 2011) (the burden of pleading the good faith affirmative defense under 548(c) is "initially on the defendants"), *with Secs. Investor Prot. Corp. v. Bernard L. Madoff Inv. Secs. LLC*, 2014 WL 1651952 at *5 (S.D.N.Y. Apr. 27, 2014) (SIPA affects the burden of pleading good faith under sections 548(c) and 550(b), with the result that "a defendant may succeed on a motion to dismiss by showing that the

complaint does not plausibly allege that that defendant did not act in good faith”). At the time the earlier complaints were filed in this proceeding, good faith was an affirmative defense of the defendants, *Secs. Investor Prot. Corp. v. Bernard L. Madoff Inv. Secs. LLC*, 2014 WL 1651952 at *4, which is a question of fact that could only be determined following discovery. *In re Dreier LLP*, 452 B.R. 391, 425 (Bankr. S.D.N.Y. 2011) (denying motion to dismiss in part because “[d]etermining the defendants’ good faith is an indisputably factual inquiry to be undertaken by the Court after the close of discovery”). The district court, however, has made a defendant’s lack of good faith a pleading burden on the Trustee. The TAC is necessary to address this new pleading burden.

D. There Has Been No Failure To Cure Any Defect With Prior Amendments

Leave to amend may be denied where previously allowed amendments have failed to cure identified deficiencies. *Foman*, 371 U.S. at 182. Here, however, the Trustee does not seek to cure any deficiencies.

V. CONCLUSION

Accordingly, for the reasons set forth above, the Trustee respectfully requests that the Court grant leave to file the Third Amended Complaint in substantially the same form as presented in Exhibit 1 attached hereto.

Date: July 15, 2014
New York, New York

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EXHIBIT 1

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SIPA LIQUIDATION

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Defendants.

Adv. Pro. No. 09-1503 (SMB)

THIRD AMENDED COMPLAINT

Irving H. Picard (the “Trustee”), as trustee for the substantively consolidated liquidation of the business of Bernard L. Madoff Investment Securities LLC (“BLMIS”) under the Securities Investor Protection Act, 15 U.S.C. §§ 78aaa *et seq.*, and the consolidated estate of Bernard L. Madoff (“Madoff”), by and through his undersigned counsel, for his Third Amended Complaint against the Estate of Mark D. Madoff, Andrew H. Madoff, individually, and as Executor of the Estate of Mark D. Madoff, (collectively, the “Madoff Brothers”), and Stephanie S. Mack, Mark Madoff’s widow, (“Stephanie Mack” and collectively with the Madoff Brothers, the “Defendants”), states as follows:

NATURE OF PROCEEDING

1. This adversary proceeding is the next step in the Trustee’s continuing effort to recover customer property of BLMIS (as defined by 15 U.S.C. § 78lll(4)) stolen as part of the massive Ponzi scheme perpetrated by Madoff. Through this action, the Trustee seeks a judgment pursuant to 15 U.S.C. §§ 78fff(b), 78fff-1(a)-(b), and 78fff-2(c)(3), sections 105(a), 502(d), 510(c), 544(b), 547, 548(a), 550(a), and 551 of title 11 of the United States Code (the “Bankruptcy Code”), the New York Fraudulent Conveyance Act, N.Y. Debt. & Cred. §§ 270 *et seq.*, New York Civil Practice Law and Rules (McKinney 2011), and New York common law, against the Defendants, resulting from preferential payments, fraudulent transfers, and fraudulent conveyances they received; for damages cause by their breaches of fiduciary duties and other tortious conduct that facilitated Madoff’s crimes; for an accounting and other equitable relief for their unjust enrichment at the expense of BLMIS customers; and for the imposition of a constructive trust upon property in their possession obtained, directly or indirectly, with customer property of BLMIS.

2. BLMIS was operated as if it were the family piggy bank. Each of the Defendants received, directly or indirectly, huge sums of customer property from BLMIS for

personal expenses (such as homes, cars, and boats) as well as to fund personal business ventures. The Defendants' misappropriation of BLMIS customer property ranged from the extraordinary (the use of BLMIS customer property to pay for multi-million dollar vacation homes) to the mundane (the use of BLMIS customer property to pay monthly credit card charges for restaurants, vacations, and clothing). The means of diverting customer property ranged from the simple (merely transferring money to the Defendants' personal bank accounts) to the complex (fabricating the "purchase" of securities in BLMIS IA account statements and then allegedly "cashing out" those positions). These transfers necessitate a judgment in favor of the Trustee for the benefit of BLMIS and its defrauded customers.

3. This adversary proceeding is unlike any other that the Trustee has commenced because it is directed against the chief fraudster's immediate family members—his sons (the Madoff Brothers) and daughter-in-law (Stephanie Mack). The Madoff Brothers had unique access to the IA business as they were IA customers themselves as well as BLMIS management and securities professionals with decades of experience. The Madoff Brothers were educated by the country's top universities and went on to manage and supervise BLMIS's market-making and proprietary trading businesses for their entire careers. The Madoff Brothers knew, saw, and were simply too intelligent to plausibly feign ignorance about the fraud that was occurring before, by, and around them; a fraud that benefitted them by the many millions of dollars they siphoned from the IA Business through fraudulent IA accounts, fictional deferred compensation, and transfers from the BLMIS bank account disguised as purported loans from their parents so they could fund their lavish lifestyles. Even the market-making and proprietary trading business units they ran were fraudulently propped up with stolen IA customer money. The Madoff Brothers and their families benefitted

enormously from this Ponzi scheme at the expense of the defrauded BLMIS customers, and despite the public disclosure of the fraud that devastated and destroyed so many lives, they continue to claim to be entitled to *more*.

4. The Madoff Brothers were, and held themselves out to be, business and securities regulatory managers and principals of BLMIS. The Madoff Brothers' management responsibilities extended through BLMIS's market-making and proprietary trading businesses, compliance, and customer relationships. As Madoff's sons, the Madoff Brothers had special access to information about BLMIS's operations and activities, including their own investment accounts, which demonstrated the company was engaged in fraud. They knew of, and willfully blinded themselves to, the clear indicia of fraudulent activity in BLMIS's IA Business for their personal benefit. By their managerial failures, the Madoff Brothers also enabled and facilitated the Ponzi scheme at BLMIS, reaping vast financial benefits for themselves and their families at the expense of the defrauded BLMIS customers. Irrespective of these failures and knowledge, the Madoff Brothers were unjustly enriched from their fictitious IA accounts, excessive compensation, and other transfers from BLMIS at the expense of the defrauded IA victims.

5. In this adversary proceeding, the Trustee seeks to recover \$153,293,116 in avoidable and recoverable transfers comprising BLMIS customer property for the benefit of the customers of BLMIS. This amount includes avoidable initial transfers to and/or for the benefit of the Madoff Brothers of: (a) \$88,649,845 during the six-year period prior to Madoff's arrest on December 11, 2008; (b) \$35,303,204 during the two-year period prior to December 11, 2008; and (c) \$3,829,212 during the one-year period prior to December 11, 2008. These initial transfers to each of the Madoff Brothers described above are set forth in

Exhibits B-C (Mark Madoff) and Exhibits E-F (Andrew Madoff) to this Third Amended Complaint.

6. The Trustee further seeks to recover property interests of undetermined value, in subsequent transfers to Defendant Stephanie Mack, resulting from her marriage to Mark Madoff. These transfers to Defendant Stephanie Mack are set forth in Exhibit D to this Third Amended Complaint.

JURISDICTION AND VENUE

7. This is an adversary proceeding commenced in this Court, in which the main underlying SIPA proceeding, No. 08-01789 (SMB) (the “SIPA Proceeding”), is pending. The SIPA Proceeding was originally brought in the United States District Court for the Southern District of New York as *Securities Exchange Commission v. Bernard L. Madoff Investment Securities LLC et al.*, No. 08 CV 10791 (the “District Court Proceeding”), and has been referred to this Court. This Court has jurisdiction over this adversary proceeding under 28 U.S.C. § 1334(b) and (e)(1), and 15 U.S.C. § 78eee(b)(2)(A) and (b)(4).

8. This is a core proceeding under 28 U.S.C. §§ 157(b)(2)(A), (B), (F), (H), and (O). The Trustee consents to the entry of final orders or judgment by this Court if it is determined that consent of the parties is required for this Court to enter final orders or judgment consistent with Article III of the U.S. Constitution.

9. Venue in this district is proper under 28 U.S.C. § 1409.

10. This adversary proceeding is brought pursuant to 15 U.S.C. §§ 78fff(b), 78fff-1(a) and (b), and 78fff-2(c)(3), sections 105(a), 502(d), 510(c), 544(b), 547, 548(a), 550(a), and 551 of title 11 of the United States Code (the “Bankruptcy Code”), the New York Fraudulent Conveyance Act (N.Y. Debt. & Cred. §§ 270 *et seq.* (McKinney 2001)), and other applicable law.

BACKGROUND, THE TRUSTEE, AND STANDING

11. On December 11, 2008 (the “Filing Date”), Madoff was arrested by federal agents for criminal violations of federal securities laws, including securities fraud, investment adviser fraud, and mail and wire fraud. Contemporaneously, the Securities and Exchange Commission (“SEC”) commenced the District Court Proceeding, which is pending in the District Court. The SEC’s complaint alleges that Madoff and BLMIS engaged in fraud through the investment adviser activities of BLMIS.

12. On December 12, 2008, the Honorable Louis L. Stanton of the District Court entered an order that appointed Lee S. Richards as receiver for the assets of BLMIS.

13. On December 15, 2008, pursuant to SIPA § 78eee(a)(4)(A), the SEC consented to combining its action with an application by the Securities Investor Protection Corporation (“SIPC”). Thereafter, pursuant to SIPA § 78eee(a)(4)(B), SIPC filed an application in the District Court alleging, among other things, that BLMIS could not meet its obligations to securities customers as they came due and its customers needed the protections afforded by SIPA.

14. Also on December 15, 2008, Judge Stanton granted SIPC’s application and entered an order that:

- a. removed the receiver and appointed the Trustee for the liquidation of the business of BLMIS under SIPA § 78eee(b)(3);
- b. appointed Baker & Hostetler LLP as counsel to the Trustee under SIPA § 78eee(b)(3); and
- c. removed the case to this Court pursuant to SIPA § 78eee(b)(4).

15. By orders dated December 23, 2008 and February 4, 2009, respectively, this Court approved the Trustee’s bond and found that the Trustee was a disinterested person.

16. On April 13, 2009, an involuntary bankruptcy petition was filed against Madoff, and on June 9, 2009, this Court substantively consolidated the chapter 7 estate of Madoff into the SIPA Proceeding.

17. At a plea hearing on March 12, 2009 (the “Plea Hearing”), in the case captioned *United States v. Madoff*, Case No. 09-CR-213 (DC), Madoff pleaded guilty to an eleven-count criminal information filed against him by the United States Attorney for the Southern District of New York. At the Plea Hearing, Madoff admitted that he “operated a Ponzi scheme through the investment advisory side of [BLMIS],” (Plea Hr’g Tr. at 23: 14-17), and asserted “[a]s I engaged in my fraud, I knew what I was doing [was] wrong, indeed criminal.” (*Id.* at 23: 20-21). On June 29, 2009, Madoff was sentenced to 150 years in prison.

18. At a plea hearing on August 11, 2009, in the case captioned *United States v. DiPascali*, Case No. 09-CR-764 (RJS), Frank DiPascali, a former BLMIS employee, pleaded guilty to a ten-count criminal information charging him with participating in, and conspiring to, perpetuate the Ponzi scheme. DiPascali admitted that no purchases or sales of securities took place in connection with BLMIS customer accounts and that the Ponzi scheme had been ongoing at BLMIS since at least the 1980s.

19. At a plea hearing on November 21, 2011, in the case captioned *United States v. Kugel*, Case No. 10-CR-228 (LTS), David Kugel, a former BLMIS trader and manager, pleaded guilty to a six-count criminal information charging him with securities fraud, falsifying the records of BLMIS, conspiracy, and bank fraud. Kugel admitted to helping to create false, backdated trades in BLMIS customer accounts beginning in the early 1970s.

20. At a plea hearing on December 15, 2011, in the case captioned *United States v. Cotellessa-Pitz*, Case No. 10-CR-228 (LTS), Enrica Cotellessa-Pitz, the former BLMIS

controller, pleaded guilty to a four-count criminal information charging her with securities fraud, falsifying records of BLMIS, and conspiracy.

21. At a plea hearing on December 20, 2012, in the case captioned *United States v. Peter Madoff*, Case No. 10-CR-228 (LTS), Peter Madoff, Bernard Madoff's brother and BLMIS's chief compliance officer, pleaded guilty to a two-count criminal information charging him with falsifying records and conspiracy to commit securities fraud. He is serving a 10-year sentence and was required to forfeit \$143.1 billion to the U.S. Department of Justice.

22. On March 24, 2014, after a nearly six-month criminal trial, five former BLMIS employees, Annette Bongiorno (IA Employee), Joann Crupi (IA Employee), Daniel Bonventre (Director of Operations), Jerome O'Hara (Computer Programmer), and George Perez (Computer Programmer), were convicted for the roles they played assisting, concealing, and grossly profiting from Madoff's fraud. Charges against the criminal defendants included conspiracy to defraud clients, securities fraud, and falsifying books and records. (*United States v. Bonventre, et al.*, Case No. 10-CR-228 (LTS)).

23. At a plea hearing on June 23, 2014, in the case captioned *United States v. Paul Konigsberg*, Case No. 10-CR-228 (LTS), Paul J. Konigsberg, Madoff's accountant and accountant for many IA customers, pleaded guilty to a three-count criminal information charging him with falsifying books and records of a broker-dealer, falsifying books and records of an investment advisor, and other charges.

24. The Trustee is using his authority under SIPA and the Bankruptcy Code to avoid and recover payouts of fictitious profits and other transfers made by the Debtors to customers and others to the detriment of defrauded, innocent customers whose money was

consumed by the Ponzi scheme. Absent that and other recovery actions, the Trustee cannot satisfy the customer claims described in subparagraphs (A) through (D) of SIPA § 78fff-2(c)(1).

THE PONZI SCHEME

25. Madoff founded BLMIS in or about 1960 as a sole proprietorship, and on January 1, 2001, he formed it as a limited liability company under the laws of the State of New York. For most of its existence, BLMIS operated from its principal place of business at 885 Third Avenue, New York, New York. Madoff, as founder, sole owner, chairman, and chief executive officer, operated BLMIS with several family members, including the Madoff Brothers, and other employees, some of whom have been indicted or pleaded guilty to helping Madoff carry out his fraudulent scheme. BLMIS had three business units: investment advisory (the “IA Business”), market-making, and proprietary trading.

26. During the early 1970s through the early 1990s, Madoff claimed to invest customer funds using a “convertible arbitrage investment strategy,” by which investors would gain profits from a change in the expectations for the stock or convertible security over time.

27. From about the 1990s forward, Madoff outwardly ascribed the IA Business’s consistent investment success to his investment strategy called the “split-strike conversion investment strategy” (“SSC Strategy”). Madoff generally promised investors that their funds would be invested in a basket of common stocks within the Standard & Poor’s 100 Index (“S&P 100 Index”), which is a collection of the 100 largest publicly traded companies, as determined by Standard & Poor’s Index Committee. The basket of stocks was designed to mimic the movement of the S&P 100 Index. Because Madoff claimed that he would carefully time purchases and sales to maximize value, customer funds would intermittently be out of the market. During those times, Madoff claimed that the funds were invested in U.S. Treasury

securities (“Treasury Bills”). There is no record of BLMIS clearing a single purchase or sale of securities in connection with the SSC Strategy at the Depository Trust & Clearing Corporation, the clearing house for such transactions, or on any other trading platform on which BLMIS could have traded securities. There are no BLMIS records that demonstrate that BLMIS traded securities in connection with the SSC Strategy.

28. The second part of the SSC Strategy involved selling call options and buying put options on the S&P 100 Index; this is commonly referred to as a “collar.” Madoff purported to purchase and sell option contracts to control the downside risk of price changes in the basket of stocks correlated to the performance of the S&P 100 Index. All options related to the companies within the S&P 100 Index, including options based upon the S&P 100 Index itself, cleared through the Options Clearing Corporation (“OCC”). The OCC has no records showing that BLMIS’s IA Business cleared any trades in any exchange-listed options.

29. At the Plea Hearing, Madoff admitted that BLMIS purchased none of the securities it claimed to have purchased for IA Business customers.

30. Madoff operated the IA Business as a Ponzi scheme. The money received from IA Business customers was not set aside to buy securities or options, as Madoff claimed, but instead was used primarily to make the distributions to, or payments for, other customers. The falsified monthly account statements made it appear that the IA Business accounts included substantial gains on customers’ principal investments. In reality, BLMIS had not invested its customers’ funds but paid customers based upon the inflated amounts reflected in their fake securities transactions, as if those amounts were genuine. The money sent to BLMIS for investment was used to keep the fraudulent scheme operating and to enrich

Madoff, the Madoff Brothers, other family members, associates, and others, until December 2008, when requests for redemptions overwhelmed the flow of new investments and caused the inevitable collapse of the Ponzi scheme.

31. BLMIS did not register as an investment adviser with the SEC until in or about August 2006. At that time, BLMIS filed with the SEC Form ADV (Uniform Application for Investment Adviser Registration) representing, among other things, that BLMIS had 23 customer accounts and assets under management of \$11.7 billion. Thereafter, BLMIS filed Form ADV annually with the SEC, the latest of which was filed in January 2008. It represented that BLMIS had 23 customer accounts with assets under management of approximately \$17.1 billion. In fact, at that time, BLMIS had over 4,900 active customer accounts with a purported value of approximately \$68 billion under management.

32. BLMIS's auditor was Friehling & Horowitz, CPA, P.C. ("Friehling & Horowitz"), a three-person accounting firm in Rockland County, New York. Of the three employees at the firm, one employee was an administrative assistant and one was a semi-retired accountant living in Florida. On or about November 3, 2009, David Friehling, the sole proprietor of Friehling & Horowitz, pleaded guilty to filing false audit reports for BLMIS and filing false tax returns for Madoff and others. The Madoff Brothers, who used Friehling & Horowitz to prepare their own tax returns, could not have reasonably believed it possible for any such firm to have competently audited an entity the size of BLMIS.

33. At all relevant times, BLMIS's liabilities were a minimum of millions, and at times billions, of dollars greater than its assets. BLMIS was insolvent because: (i) its assets were worth less than the value of its liabilities; (ii) it could not meet its obligations as they

came due; and (iii) at the time of the transfers alleged herein, BLMIS was left with insufficient capital.

THE DEFENDANTS

34. Mark D. Madoff, now deceased, was Bernard Madoff's eldest son.¹ He held the title of Co-Director of Trading at BLMIS. From the time he graduated from the University of Michigan in 1986 through his father's arrest in December 2008, Mark Madoff worked at BLMIS. Mark Madoff was an experienced investor and investment professional who directed many of BLMIS's customer relations efforts and, at times, managed both BLMIS's proprietary trading desk and market-making operations. He held a number of securities licenses with the Financial Industry Regulatory Authority ("FINRA") while working at BLMIS, including Series 7 (securities representative), 24 (securities supervisor), and 55 (equity trader). He was also involved professionally as a leader in the securities industry, giving the appearance of being concerned about improvements in the industry for the benefit of the investing public. He was Chairman of the FINRA Inter-Market Committee, Governor of the Securities Traders Association ("STA"), Co-Chair of the STA Trading Committee, a member of the FINRA Membership Committee and Mutual Fund Task Force, President of the STA of New York ("STANY"), Chairman of the FINRA Regulation District Ten Business Conduct Committee, and Chairman of the Securities Industry Financial Markets Association ("SIFMA") NASDAQ Committee.

¹ In addition to the Trustee's claims in this adversary proceeding against Andrew Madoff individually, the Trustee's claims against Mark Madoff are brought against both Andrew H. Madoff, as Executor for the Estate of Mark D. Madoff, and the Estate of Mark D. Madoff.

35. Upon information and belief, Stephanie S. Mack (formerly Stephanie Madoff) was married to Mark Madoff from October 23, 2004 until his death on December 11, 2010.²

36. Andrew H. Madoff is Madoff's youngest son. Andrew Madoff worked at BLMIS from his 1988 graduation from the University of Pennsylvania until his father's arrest in December 2008. Andrew Madoff was an experienced investor and investment professional who supervised proprietary trading at BLMIS, managed the trading floor, and directed many audit and compliance projects for BLMIS, including the confirmation and reporting of proprietary trades. He held a number of securities licenses with FINRA while working at BLMIS, including Series 4 (options principal), 7, 24, and 55. Andrew Madoff was involved professionally as a leader in the securities industry and, as such, gave the appearance of being concerned about improvements in the industry for the benefit of the investing public. He was Chairman of the Trading, Trading Issues and Technology, and Decimalization and Market Data Committees and Subcommittees at SIFMA, and a member of the FINRA District Ten Committee and NASDAQ's Technology Advisory Committee.

OTHER FAMILY MEMBERS

37. In addition to the Defendants named above, Bernard Madoff delegated critical roles to other members of his family whose actions (and inaction) helped facilitate the Ponzi scheme.

38. Peter B. Madoff is Bernard Madoff's brother and was BLMIS's Senior Managing Director and Chief Compliance Officer ("CCO"). Peter Madoff had worked at BLMIS since 1967. He is a graduate of the Fordham University Law School. Like his nephews, the Madoff Brothers, Peter Madoff was also an experienced investment professional

² As official marriage and divorce records are not publicly available, the dates of Mark Madoff's marriage to Stephanie Mack, as described in this Third Amended Complaint, are approximated based upon documents available to the Trustee.

and held a number of industry licenses, including Series 1 (general securities representative pre-dating Series 7), 4, and 55. Peter Madoff was involved professionally as a leader in the securities industry and, as such, gave the appearance of being concerned about improvements in the industry for the benefit of the investing public. He was Director of SIFMA and served as a member of the Board of Governors and Executive Committee of the National Stock Exchange. He also served as Vice Chairman of the FINRA Board of Governors, on the Executive Committee Board of Governors of NASDAQ, and as a Director of the National Securities Clearing Corporation.

39. Peter Madoff pleaded guilty to conspiracy and falsifying books and records of an investment adviser in connection with his role in the Ponzi scheme. Peter Madoff admitted that he knew statements being made to the SEC about the IA business, including the number of accounts and money under management, were entirely false. Peter Madoff, “deeply ashamed,” also admitted that he “received various fringe benefits from BLMIS including meals, travel, leased cars, country club [membership], apartment premiums, payment of household employees and life insurance premiums” as well as a place for his wife on the BLMIS payroll for a “no-show job.” Peter Madoff agreed to forfeit “all property, real and personal, that constitutes or is derived from proceeds traceable” to the commission of his offenses. Specifically, Peter Madoff forfeited \$143.1 billion dollars and other assets including his primary residence, his vacation homes, and his car.

40. Shana D. Madoff is Bernard Madoff’s niece, the Madoff Brothers’ cousin, and Peter Madoff’s daughter. Shana Madoff had worked at BLMIS since 1989 and joined the company full-time in 1994, upon graduating from Fordham University Law School. At various times, Shana Madoff held herself out as Compliance Counsel, in-house Counsel, and

Compliance Director of BLMIS. Shana Madoff was an experienced investment professional who, along with her father, Peter Madoff, and her uncle, Bernard Madoff, was responsible for overseeing all compliance-related activities at BLMIS. Shana was a member of the SIFMA Compliance and Legal Division Executive Committee, the FINRA Consultative Committee, STANY, the NASD's Market Regulation Committee, the SIFMA Self-Regulatory and SRO Committee, and the SIFMA Continuing Education Committee. Shana Madoff sold her multi-million dollar vacation home in East Hampton, New York and applied the proceeds of the sale towards her father's forfeiture.

BASED ON THE ACTIVITY IN THEIR OWN IA ACCOUNTS, THE MADOFF BROTHERS KNEW OF, OR WERE WILLFULLY BLIND TO, MADOFF'S FRAUD

41. Based on the activity in their own IA accounts—accounts which grossly and unjustly enriched them at the expense of the defrauded IA customers—the Madoff Brothers knew or were willfully blind to the fact that BLMIS's IA Business was a fraud.

42. Mark Madoff held or controlled seven IA customer accounts. Six of these accounts were purported investment accounts and one was a purported deferred compensation account. Of the six IA accounts, two were allegedly invested using the convertible arbitrage and split-strike conversion investment strategies employed by BLMIS on behalf of the majority of IA customers. The SSC Strategy account reported consistent rates of return between 10-20% throughout the life of the account. The four other IA accounts did not employ any discernable trading strategy and two of these accounts in particular purportedly engaged in three discrete, conveniently timed, and highly profitable backdated trades that generated millions of dollars of fictitious profits for Mark Madoff as detailed below. The Trustee has identified documents purporting to show that Mark Madoff "invested" a mere

\$381,393 into his six IA accounts but redeemed \$18,729,227 from these accounts prior to December 2008.

43. Similarly, Andrew Madoff held or controlled seven IA accounts, including two IA accounts held jointly with his wife, Deborah Madoff. Of the seven accounts, six were purported investment accounts and one was a purported deferred compensation account. Four of Andrew Madoff's six IA accounts purportedly used the convertible arbitrage and split strike conversion investment strategies. The SSC Strategy accounts reported steady returns of 10-20% over the lives of the accounts. The other two IA accounts did not employ a discernible trading strategy but instead purported to engage in three distinct, conveniently timed and highly profitable backdated trades that generated millions of dollars of fictitious profits for Andrew Madoff. The Trustee's investigation to date reveals that Andrew Madoff "invested" only \$569,006 into his six IA accounts, yet he redeemed \$17,175,854—30 times more than he invested—from the accounts prior to December 2008.

44. The Madoff Brothers each received, filed in their personal offices at BLMIS, and presumably reviewed monthly account statements and trade confirmations purporting to describe the activity in their IA accounts monthly account statements and trade confirmations purporting to describe the activity in their IA accounts, including cash additions, withdrawals, purported trading activity, and overall performance of their investments. However, unlike many of the ordinary IA Business customers who were duped by their account statements, the Madoff Brothers were aware that the purported "profits" described in their IA account statements were entirely fictitious. Based on their senior managerial and supervisory roles at BLMIS, industry experience, and responsibilities as Co-Directors of Trading, the Madoff Brothers were aware of the actual real market trades that were being executed by BLMIS's

market-making and proprietary trading businesses, and knew that no one was effecting these trades for the IA Business, either in House 5 or MSIL. The Madoff Brothers also knew or were willfully blind to the fact that, contrary to industry practices, there was no separate custodian of securities for the IA Business—another indicia of fraud.

Fictitious And Backdated Trades Generated Millions Of Dollars For The Madoff Brothers

45. The Madoff Brothers redeemed the majority of their funds from four IA accounts into which they did not deposit a single penny. These four IA accounts did not even purport to execute a legitimate trading strategy; rather, the purported gains the Madoff Brothers withdrew were generated through nearly identical backdated activity. None of the trades reported in these IA accounts—which created millions of dollars of fictitious profits for the Madoff Brothers—ever took place.

46. Based on BLMIS account opening documents, two of the Madoff Brothers' accounts—Mark Madoff's account 1M0142 and Andrew Madoff's account 1M0140—were opened in July 1998. Although the Trustee has not found any record of any money ever being invested into those accounts, Mark Madoff and Andrew Madoff each redeemed over \$14.6 million from these accounts between 1998 and May 2004. Although these accounts were opened only in July 1998, they purport to show the purchase of 5,000 shares of Dell stock *more than eighteen months before the accounts were opened*, on January 2, 1997, and two 2-for-1 stock splits in each account—one settling on July 30, 1997 (one year before the account was opened) and the other settling on March 11, 1998 (four months before the account was opened). Entries dated July 21, 1998 indicate that the Dell shares were “sold,” generating a “gain” for each account of \$1,985,000 on July 16, 1998. Merely days later, on or about July 24, 1998, Mark Madoff and Andrew Madoff each redeemed \$1,985,000 from these accounts, *only eight days after the accounts were opened and before any statements for these accounts*

had even been generated. All of this account activity was entered into the IA computerized system (the “IA system”) between July 6, 1998 and August 5, 1998. The account statements for these accounts were generated in October 1998 utilizing a BLMIS program called StatementPro—which was designed to enable BLMIS employees to “fix” statements and was used to create the false appearance that trading activity reflected in the account had taken place contemporaneously. Andrew Madoff transferred his proceeds from this fraudulent transaction to his account at Fidelity.

47. On March 3, 2002 and April 1, 2002, additional “transactions” were entered into the IA system for these accounts, including the purported purchase of \$9.9 million of Microsoft stock on December 29, 2000 and the purported sale of these shares on January 8, 2002, generating a false profit of \$5,628,860 for each Madoff Brother. These account statements were generated by the IA system utilizing StatementPro for the first time on or around March 28, 2002 (fifteen months after the purported purchase and almost three months after the alleged sale) and were found in Mark Madoff’s and Andrew Madoff’s offices at BLMIS. Within a week of the creation of the backdated account statements reflecting these fake trades, on April 3, 2002, Mark Madoff and Andrew Madoff transferred substantial portions of the purported profits from these fictitious transactions—\$5,331,853 each—to their accounts at Fidelity.

48. Between April 1, 2004 and May 4, 2004, additional transaction data for these accounts was entered into the IA system for the purported purchase of more than \$4.5 million of Lucent shares between March 11, 2003 through March 14, 2003 and the sale of these shares between April 15, 2004 through April 20, 2004, generating a false profit of \$7.5 million for each of the Madoff Brothers. The account statements reflecting this account

activity were created by the IA system utilizing StatementPro for the first time at the end of April 2004 and recovered from Mark Madoff's office and Friehling & Horowitz records maintained for Andrew Madoff. Despite the clearly backdated and fabricated nature of these trading windfalls, Mark Madoff and Andrew Madoff each transferred at least \$7.3 million of the proceeds of these fictitious trades to outside bank and brokerage accounts owned and/or controlled by them individually.

49. Indeed, if the Lucent trading activity had been legitimate, the Madoff Brothers would have disclosed these securities holdings on the financial statements they prepared in connection with their respective real estate purchases during this time period. They made no such disclosures, however, because these trades were not fabricated until well after the fact. Specifically, on or around October 10, 2003, Andrew Madoff prepared a financial statement for the purchase of his 10 Gracie Square cooperative apartment. Andrew Madoff's financial statement contained a thorough listing of his purported securities holdings, both in and outside of BLMIS, yet he failed to reference the approximately 2.9 million shares of Lucent valued at \$6.3 million that he purportedly then held in account 1M0140 at the end of September 2003. Similarly, in January 2004, Mark Madoff prepared a financial statement in connection with his purchase of real estate located at 457-461 West Broadway in New York City. Although Mark Madoff disclosed his other BLMIS and brokerage accounts, he did not reference the 2.9 million shares of Lucent stock valued at \$8.3 million that he purportedly then maintained in account 1M0142 at the end of December 2003.

50. These omissions were not oversights; the Madoff Brothers did not disclose the Lucent holdings in their financial statements because the purchases had not yet been fabricated at the time they purportedly took place; they were fabricated thereafter so Madoff

could launder the stolen proceeds of his Ponzi scheme to his sons. Accordingly, when the Madoff Brothers later received IA account statements in or after April 2004 reflecting the Lucent trades, they knew that these backdated trades—and the millions of dollars they quickly transferred away from BLMIS—were fraudulent. At best, these experienced securities professionals willfully closed their eyes to the clearly fictitious nature of these transactions in order to personally benefit by millions of dollars.

51. The Madoff Brothers also benefitted from brazenly false and backdated activity in the IA accounts they established and managed for their children. In July 1998, Mark Madoff opened account number 1M0143 in the name of “Children of Mark D. Madoff” and designated his brother Andrew Madoff as the trustee of the account. Similarly, in July 1998, Andrew Madoff opened IA account 1M0141 in the name of “Children of Andrew H. Madoff” and designated his brother Mark Madoff as trustee of the account. The Trustee has found no evidence that any money was ever deposited into these accounts.

52. The fraudulent Dell transactions described above were duplicated in the IA accounts held in trust for the Madoff Brothers’ children. Their children’s accounts report the same fabricated and backdated Dell stock activity—purported purchases, stock splits (both of which took place before the accounts were opened), and purported sales of Dell stock in 1997 and 1998. These fictitious backdated trades generated fictitious gains of \$1,985,000 for each account. All of the corresponding monthly statements for these IA accounts, which were recovered from Friehling and Horowitz’s files, were similarly created by the IA system utilizing StatementPro for the first time in or around October 1998, long after the purported trading activity had allegedly occurred. Within a few days of the alleged sales, on or about July 24, 1998, the Madoff Brothers withdrew virtually all of the fictitious profits—\$1,985,000

each—from their children’s accounts. The Madoff Brothers knew these trades could not have occurred in these accounts as they were not even opened when the purported stock purchases were made, but once again, they quickly diverted the fraudulent proceeds from these clearly fictitious and backdated transactions away from BLMIS for their own use.

53. As sophisticated securities professionals with decades of supervisory experience between them, the Madoff Brothers knew that the millions in funds they each withdrew from these four IA accounts were the product of fraud. The fraud was particularly obvious given that they made *no* deposits or investments into any of these accounts.

Millions Of Alleged Equity In Non-Existent Or Closed Accounts Support Andrew Madoff's Real Estate Purchases

54. The clear indicia of fraud in the Madoff Brothers’ IA accounts were not limited to backdated trading activity or extraordinary profits without deposits. Indeed, Andrew Madoff was able to obtain fake account statements showing large balances in his IA accounts on demand and whenever it suited his needs.

55. In October 1994, Andrew Madoff received a one-off statement generated by the IA system utilizing StatementPro for his account 1M0005-2 showing a fictitious \$2,452,172.50 equity balance for his use in obtaining approval for an apartment purchase that closed in April 1995. The account appears to have been created out of thin air for this sole purpose. There is no evidence of any account activity—including deposits, purchases, or sales of securities in this account—or any monthly statements at any other time, either before or after October 1994. Andrew Madoff knew this account statement was fabricated as he never reported any gains or losses on the positions purportedly held on this statement nor did he claim value for these purported securities in connection with the BLMIS claims process.

56. Similarly, on or around October 10, 2003, Andrew Madoff prepared a financial statement for the purchase of a cooperative apartment located at 10 Gracie Square in New York City. The IA system utilizing StatementPro generated a special one-off statement for Andrew Madoff's account 1M0005-3 showing a fictitious \$17.7 million equity balance for his use in connection with the 10 Gracie Square purchase application. Andrew Madoff knew it was impossible for this account to have a \$17.7 million balance because the account had been dormant since April 1991. BLMIS records confirm that April 1991 was the last account statement generated for this account, with the sole exception of the October 2003 one-off statement that was created for Andrew Madoff's personal use in connection with the real estate purchase. Andrew Madoff knew these alleged account balances used in connection with real estate purchases were fictitious as he never reported any gains or losses on the positions and did not submit a claim for the value of the purported securities held in the account in connection with the BLMIS claims process.

Other Instances Evidencing Fraud In The Madoff Brothers' IA Accounts

57. The Madoff Brothers' IA accounts also displayed what any securities professional like them would have recognized as indicia of fraud. At a minimum, the Madoff Brothers intentionally ignored performance anomalies and operational irregularities related to their IA accounts that violated clear industry norms and were simply too good to be true, including:

- a. From 1987-1997, every purported transaction in the Madoff Brothers' convertible arbitrage IA accounts was "in the money," *i.e.*, every transaction produced a net gain, which was highly unlikely if not impossible for any trading strategy employed over that length of time. In addition, certain traded instruments listed on the Madoff Brothers' convertible arbitrage IA statements were not actually available to be traded in the market on the represented date.

- b. From 1992-1997, BLMIS deviated from the convertible arbitrage strategy in the Madoff Brothers' accounts and purportedly invested in companies close in time to stock splits, again resulting in the highly unlikely outcome of a post-split gain in every instance.
- c. The Madoff Brothers' SSC Strategy accounts defied overall market performance, including recessions, the dot.com bust, and the terrorist attacks of September 11, 2001 (an event impossible to predict), by generating consistent double-digit positive returns for eleven years from 1997-2008. These accounts generated double-digit positive returns even when the S&P 100 Index—which was designed to be highly correlated with the SSC Strategy—experienced double-digit negative returns.
- d. The Madoff Brothers' SSC Strategy accounts also demonstrated the uncanny ability to buy low and sell high on a given day's price range more than three-quarters of the time for equity transactions, 70% of the time for Andrew Madoff's options contracts, and more than half the time for Mark Madoff's options contracts. These accounts also demonstrated impossible instances of equity transactions outside of the applicable daily price ranges, and equities and options transactions settling on weekends when the exchanges were closed or otherwise outside of the standard settlement duration time frame.
- e. BLMIS charged its IA customers a flat commission or fee for equity and options trades instead of the industry norm percentage of assets under management and investment performance-based fees. Securities industry professionals like the Madoff Brothers knew this fee structure deprived BLMIS of substantial revenues typically earned by investment advisers.
- f. IA accounts could not be accessed online and IA customers did not receive detailed end-of-year tax reporting documents, which was also contrary to standard industry practices. The Madoff Brothers received electronic access and appropriate year-end documentation from other institutions where they maintained funds and investments.
- g. The IA Business utilized paper trading confirmations. This outdated practice stood in sharp contrast to Madoff's stated goal of BLMIS being at the forefront of trading technology and its early use of computer-based trading. The lack of real-time electronic access to account information and the delays created by the use of paper confirmations helped facilitate the Ponzi scheme by making it easier to alter trading records than if modern automated methods had been used.
- h. BLMIS, which reputedly ran the world's largest hedge fund, had its annual audits prepared by Friehling & Horowitz, an accounting firm of three employees, one of whom was a receptionist and another who was semi-retired, with offices located in a strip mall. The Madoff Brothers,

who used Friehling & Horowitz to prepare their own tax returns, could not have reasonably believed it possible for any such firm to have competently audited an entity the size of BLMIS.

58. Based on these returns and anomalies and given the Madoff Brothers' sophistication as trading professionals, the Madoff Brothers had to know that BLMIS was engaged in fraud, or they willfully blinded themselves to this obvious fact in order to continue to unjustly enrich themselves and live a luxurious lifestyle on IA customer money.

THE FICTITIOUS GROWTH AND OTHER INDICIA OF FRAUD IN THE MADOFF BROTHERS' PURPORTED DEFERRED COMPENSATION ACCOUNTS ALERTED THEM TO THE FRAUD

59. Despite the billions in harm BLMIS caused to thousands of victims, Mark Madoff and Andrew Madoff each filed a proof of claim seeking \$44,815,520 and \$40,624,525, respectively, in deferred compensation from BLMIS. The Madoff Brothers are not entitled to any further compensation from BLMIS, deferred or otherwise. To the contrary, having woefully failed in their managerial and supervisory responsibilities as senior securities professionals at BLMIS, the Madoff Brothers were grossly overpaid by millions of dollars for many years when the IA Business was a fraud and the market-making and proprietary trading businesses were unprofitable. The purported deferred compensation the Madoff Brothers received prior to December 2008 did not comply with industry standards, did not correlate with their performance, and was grounded in an excessive and fraudulent 24% annual rate of return over a nineteen-year period that was devoid of purported trading activity and designed by Madoff to simply benefit his sons with the fruits of the fraud. An early email exchange between Andrew Madoff and Mark Madoff from November 2003, with the subject line "Bonus," is illustrative of the Madoff Brothers' sense of entitlement to BLMIS funds to support their lavish lifestyles, irrespective of the true performance of the business:

Andrew: How about \$3mm (same as last year)? My apartment closing is Wednesday, December 5. I need the cash.

Mark: You've got my proxy. Begin the negotiations on behalf of the two of us.

60. The Madoff Brothers claimed to have maintained BLMIS IA accounts 1M0006 (Andrew Madoff) and 1M0009 (Mark Madoff) as firm-provided deferred compensation accounts. Deferred compensation plans of this nature are not used in the financial services industry (or any other industry) and the Trustee has not uncovered any BLMIS policy or procedure relating to any such plan, such documentation would ordinarily accompany a bona fide deferred compensation program. Instead, these IA styled accounts purportedly received periodic, ad hoc "capital" transfers up until 2000, some internally designated as trader "Net Excess." In fact, the Madoff Brothers directed convicted former employee Annette Bongiorno to make several of these transfers into their purported deferred compensation accounts. While the Madoff Brothers each claim they are entitled to more than \$40 million in purported deferred compensation, Andrew Madoff's "capital" transfers totaled no more than \$2,613,650 and Mark Madoff's were no more than \$2,670,089, a small fraction of the funds reported to be held in those accounts.

61. Contrary to standard deferred compensation plans, which include company stock and vary in value depending on the performance of the company, the growth in the Madoff Brothers' purported deferred compensation accounts resulted from a guaranteed annual rate of return of 24%, beginning one year after the inception of these accounts and continuing unabated for almost twenty years. In 2008, the guaranteed annual rate of return was slightly reduced to 20%. This astronomical growth was reflected in BLMIS's records as well as in documentation recovered from Andrew Madoff's and Mark Madoff's personal offices at BLMIS. The account statements indicated that the IA-styled deferred compensation

accounts, for the most part, did not hold securities and did not track capital transfers, balances, or returns. These accounts engaged in only a few fabricated trades over many years and usually maintained equity balances of no more than \$28,000. In fact, Mark Madoff's account statements sometimes showed a negative equity balance. In contrast, the BLMIS portfolio management reports reflected a guaranteed 24% annual rate of return for each account and tracked the capital balances that purported to justify that extraordinary fictitious growth.

62. There is no actual securities trading that underlies the purported growth in these alleged deferred compensation accounts. The 24% annual rate of return was nothing more than a fabricated series of book entries created by the collusion between the Madoff Brothers and their father, devoid of any relationship to investment or business performance. Despite the fact that deferred compensation accounts should be tied to the organization's performance, the Madoff Brothers manipulated these IA-styled accounts to unjustly enrich themselves with stolen funds. Indeed, Andrew Madoff's claim for \$40,624,525 in deferred compensation is particularly revealing in light of an April 30, 2008 spreadsheet he prepared in connection with his anticipated divorce from Deborah Madoff (as well as other BLMIS documentation) indicating that he withdrew all but \$52,173 from this account well before the Filing Date.

63. The Madoff Brothers knew that the fraudulent books and records associated with their IA-styled deferred compensation accounts did not accurately reflect activity occurring in the accounts. For example, Andrew Madoff's more than \$25.9 million in withdrawals from his purported deferred compensation account did not appear in the documentation for that account until well after the transfers were made. Andrew Madoff's April 2008 spreadsheet details \$25,939,402 in withdrawals from account 1M0006 that he

made from 2005-2007. The contemporaneous portfolio management reports for this account recovered from BLMIS, however, do not report these withdrawals. Rather, BLMIS documentation associated with account 1M0006, recovered from Andrew Madoff's office at BLMIS, reveals that the 2005-2008 portfolio management reports were subsequently backdated and altered to reflect the withdrawals. Indeed, when pressed on cross-examination during her criminal trial, convicted former employee Annette Bongiorno admitted that in July 2008 she altered Andrew Madoff's deferred compensation account statements for December 2005, 2006, and 2007—the exact statements that would have been of interest to his wife during their pending divorce proceedings—to show \$25,939,402 in withdrawals, resulting in a \$33 million decrease in the account balance bringing it down to approximately \$200,000.

United States v. Bonventre, et al., Case No. 10-CR-228 (LTS), Trial Tr. 10486-10498.

Annette Bongiorno wrote a memorandum to Andrew Madoff, dated July 9, 2008, in which she detailed the alterations she made to his purported deferred compensation account.

64. Mark Madoff similarly manipulated his purported deferred compensation account statements when it suited his other investment needs. Indeed, monthly account statements were created out of thin air for Mark Madoff's personal use in 2003 and 2005 despite the fact that there were no monthly statements for this account created after 1996. The monthly statements associated with Mark Madoff's account 1M0009 reflect only a handful of trades and reveal that securities never exceeded \$250,000 and went as low as to report negative balances. However, when Mark Madoff needed to show significant assets on a financial disclosure in connection with his purchase of a condominium located at 457-461 West Broadway in Manhattan, \$14,651,908 of securities positions magically appeared on a December 31, 2003 account statement, nearly seven and a half years after the last known

customer statement for this account. The same occurred approximately fifteen months later when Mark Madoff purchased his next condominium located at 583 Broadway in Manhattan, his 1M0009 account statement in March 2005 reflected a \$16,299,182 securities balance. In both instances, there is no evidence of deposits, purchases, or securities transactions to support these account balances and no trades were actually effectuated. Instead, these purported account balances, which are not reflected on the account's portfolio management reports, appear out of nowhere and suddenly disappear once the condominium applications were submitted. Tellingly, Mark Madoff never reported any gains or losses on the positions reflected on these account statements in his 2003 and 2005 tax returns.

65. Even aside from the blatantly fraudulent activity described above, no seasoned financial professional, like the Madoff Brothers, could believe that a purported deferred compensation account providing for a consistent 24% annual rate of return over nineteen years was legitimate. Following the public disclosure of the fraud in December 2008, the Madoff Brothers' continued pursuit of these fictitious funds in their proofs of claim in the Bankruptcy Court further demonstrates their willingness to knowingly make one last grab of the funds of defrauded customers for their own further unjust enrichment.

**THE MADOFF BROTHERS KNEW OF FRAUDULENT TRANSFERS OF IA FUNDS
TO THE OTHER PARTS OF THE BUSINESS THEY MANAGED**

The Misuse Of IA Funds Permeated All Of BLMIS's Business Units

66. The Madoff Brothers knew the compensation they received was grossly excessive in light of the unprofitable performance of the market-making and proprietary trading business units they were running.

67. These businesses were made to appear profitable through any fraudulent means necessary to enable the Madoff Brothers to continue to siphon IA customer money out of BLMIS to fund the lavish lifestyles to which they had grown accustomed.

68. In addition to running the market-making and proprietary trading business units, the Madoff Brothers also served as controllers and directors of BLMIS's affiliated London entity, MSIL. Records reveal that nearly \$800 million was diverted from the IA Business into the market-making and proprietary trading business units (the "IA-derived revenue" transfers), millions of which were transferred through MSIL and then back to the BLMIS trading businesses supervised by the Madoff Brothers. That \$800 million of IA-derived revenue—which was fraudulently counted towards the profits that wrongly justified the Madoff Brothers' exorbitant compensation—was nothing more than the funds invested by innocent customers of BLMIS's IA Business.

69. The IA-derived revenue transfers were used to make the market-making and proprietary trading units appear profitable at a time when market changes were taking a financial toll on BLMIS's trading business. Between 2000 and 2008, IA-derived revenue accounted for 42%–73% of the total revenue BLMIS reported in its financial statements. Without the IA-derived revenue, the market-making and proprietary trading units would not have been profitable.

70. Indeed, Madoff and DiPascali both pleaded guilty to charges of money laundering and Cotellessa-Pitz pleaded guilty to falsifying BLMIS's books and records to "hide the losses of the Proprietary Trading and Market Making business." But responsibility for preventing these actions was not theirs alone. The Madoff Brothers knew or willfully blinded themselves to the fact that the majority of the total revenue purportedly earned by the

market-making and proprietary trading businesses they ran, at least for fiscal years 2000 through 2008, was comprised of stolen customer money from the IA Business.

The Domestic IA-Derived Revenue Transfers

71. From at least 1999 to May 2005, nearly \$500 million was transferred from BLMIS's account at JPMorgan Chase and Co., account no. xxxxxxxxxxxx1703 (the "703 account") where IA customer funds were principally deposited, into the Bank of New York account used to operate the market-making and proprietary trading units. Customer funds were transferred either directly from the 703 account or indirectly through wire transfers from BLMIS's brokerage accounts at Morgan Stanley, Bear Stearns, and Lehman Brothers, all of which were funded by the 703 account. These transfers were falsely recorded as trading profits and interest income on BLMIS's books and records.

72. As supervisors of the market-making and proprietary trading businesses, the Madoff Brothers were required to review the transfers described above. For example, BLMIS's December 2006 Written Supervisory Procedures tasked Mark Madoff and Andrew Madoff with monitoring trading activity for unusual and prohibited activity. The March 2007 Supervisory Compliance Procedures Manual, which described supervisory personnel's responsibilities to BLMIS's Anti-Money Laundering compliance program, prohibited the very actions that Madoff and DiPascali admitted to undertaking during their plea hearings. That manual required periodic review of large or suspicious transactions to uncover potentially illegal activities of this kind, none of which was effected by the Madoff Brothers, despite their roles as supervisory personnel and registered principals at BLMIS.

73. The Trustee has not found any evidence showing that the required periodic supervisory reviews were regularly conducted on an on-going basis by the Madoff Brothers—who were all too happy to benefit from this charade. The Madoff Brothers did not conduct

even the minimum diligence required by their jobs because they knew that the IA Business was engaged in fraud or because they willfully blinded themselves to the fraud and deliberately chose to avoid confirming it.

74. Based on their heavy involvement with BLMIS's market-making and proprietary trading businesses, the Madoff Brothers knew BLMIS's profits were declining and that their businesses could not have generated the revenues reported on BLMIS's financial statements. Indeed, both of the Madoff Brothers kept close track of trading profits and losses in several ways.

75. Each day the Madoff Brothers provided traders in the market-making and proprietary trading business units with hard copy printouts of their daily profits and losses. The traders were required to review, initial, and return the printouts to the Madoff Brothers. Later, traders were required to report their profits and losses to the Madoff Brothers on a daily basis via email. The Madoff Brothers also received and reviewed daily profit and loss reports generated from BLMIS's trading systems. Additionally, the Madoff Brothers could, at any time, review trading activity and profits and losses in real-time on BLMIS's trading systems—and they did.

76. The Madoff Brothers created their own spreadsheets tracking month-to-date and year-to-date profits, losses, and trading expenses for the market-making and proprietary trading units. Though BLMIS reported well over \$1 billion in gross revenue on its FOCUS reports between 2000 and 2008, their spreadsheets reveal a very different story.

77. According to the Madoff Brothers' spreadsheets, BLMIS's annual trading revenue sharply declined between 2000 and 2005. For example, the market-making and proprietary trading units' net trading revenue declined from \$79.4 million in 2000 to \$15

million in 2003, and then increased only slightly to \$23.8 million in 2005. The Madoff Brothers were both well aware of the decline of their market-making business, and at times even considered eliminating that unit altogether.

78. The Madoff Brothers knew that their businesses were being fraudulently propped up by IA customer funds because the IA-derived revenue transfers were recorded on the books and records of their market-making and proprietary trading businesses. Indeed, nearly \$500 million of the IA-derived transfers were falsely recorded as gains on the sale of securities in three distinctive trading accounts associated with the proprietary trading unit. The Madoff Brothers were aware of the existence of these three trading accounts as they were part of a group of ten unique trading accounts that they referred to as the “numbered accounts” or “numeric accounts.”³ At various times, the Madoff Brothers were the assigned traders for these accounts, including the three accounts where the IA-derived revenue transfers were recorded. Upon information and belief, at least two other numbered accounts were also used for improper purposes.⁴

79. Ordinary BLMIS traders were restricted from viewing accounts other than those to which they were assigned, but the Madoff Brothers had visibility into all trading accounts. BLMIS developed a complicated web of trading technology that allowed for manipulation of trading data in one system without disturbing the information contained in

³ One of many differences between the numbered accounts and BLMIS’s other trading accounts is that the numbered accounts were identified by single-digit numbers while all other accounts were identified by single or double letters.

⁴ First, in the criminal trial against five former BLMIS employees for their participation in the Ponzi scheme, BLMIS’s former controller, Enrica Cotellessa-Pitz, testified that trading account 7 held securities owned by certain IA customers that BLMIS used as collateral to obtain bank loans, representing the securities as its own. *United States v. Bonventre et al.*, 10 Cr. 228 (LTS) (2013), Trial Tr. 3701:21-3702:5. Second, BLMIS trading account 6 held options traded in connection with an improper arrangement between Madoff and former Morgan Stanley stockbroker, Michael Lieberbaum. Under this arrangement, BLMIS allowed Mr. Lieberbaum to trade options in Andrew Madoff’s name for his personal benefit. To conceal the scheme, Madoff and Mr. Lieberbaum agreed that BLMIS would later disburse the profits to Mr. Lieberbaum upon his retirement from Morgan Stanley. Indeed, upon Mr. Lieberbaum’s retirement, BLMIS began making the payments, disguising them as vendor payments. See *Picard v. Lieberbaum*, Adv. Pro. No. 10-05406 (BRL).

other systems. Only certain BLMIS employees could access information from these other systems, including, but not limited to, DiPascali, Cotellessa-Pitz, and the Madoff Brothers.

80. As Co-Directors of Trading for the market-making and proprietary trading businesses at BLMIS, the Madoff Brothers had an obligation to monitor and review activity in all BLMIS trading accounts, including the numbered accounts. If they did, they would have known that millions of dollars from the IA Business were being improperly recorded and falsely characterized as gains on fictitious trades to make the market-making and proprietary trading business units appear profitable. Their attention to the business units they supervised made clear to them that for years these businesses were not profitable but for the stream of IA-derived revenue provided by their father.

A 2005 SEC On-Site Cause Examination Forced BLMIS To Change Course

81. The SEC began an on-site cause examination of BLMIS in April 2005. In May 2005, amid increasing pressure from SEC examiners to provide BLMIS's trading data and financial records during the examination, transfers from the 703 account and domestic brokerage accounts ceased. However, despite the intense SEC scrutiny, BLMIS still needed cash to prop up its declining trading business so the IA-derived revenue transfers continued, but this time utilizing BLMIS's London affiliate, MSIL, as a conduit.

82. It is no coincidence that BLMIS began laundering the IA-derived revenue transfers through MSIL during the onsite SEC examination when trading documentation was requested and received.

83. The SEC OIG report revealed that throughout this examination, the examiners had difficulty obtaining emails and other communications belonging to various BLMIS

employees, including Andrew Madoff.⁵ In fact, the Madoff Brothers, Madoff family members, and other employees were behind the scenes deleting emails that could have exposed the fraud—or at the very least would have alerted the SEC examiners that the information BLMIS was providing to them was false. It was management’s emails (including emails of the Madoff Brothers) that were being deleted because contrary to industry norms and Madoff’s stated goal of BLMIS being at the forefront of technology, the IA employees did not have access to email.

84. According to DiPascali’s sworn testimony, he along with the Madoff Brothers, Peter Madoff, Shana Madoff, and Liz Weintraub, deleted emails from BLMIS’s server that they did not want the SEC to discover. *United States v. Bonventre, et al.*, Case No. 10-CR-228 (LTS), Trial Tr. 5145-5148. To accomplish this task, they printed every incoming and outgoing email for the periods requested by the SEC and each person, including the Madoff Brothers, was assigned various piles of emails to review. Problematic emails were removed from the server and never turned over to the SEC.

85. Consistent with DiPascali’s testimony, the Trustee has uncovered evidence, including handwritten notes on printed emails, that confirm the Madoff Brothers and other employees reviewed the emails and determined that certain emails were “trash” and would be taken “out” and “delete[d]” from the email server.

86. Among the emails the Madoff Brothers concealed from the SEC were:

⁵ On April 20, 2005, the SEC requested all incoming, outgoing, and deleted electronic communications between April 2004 and April 2005 for Andrew Madoff and four other traders, including the two traders assigned to the RA and ZA accounts—two of BLMIS’s largest volume trading accounts. On June 23, 2005, the SEC requested the incoming and outgoing emails of certain employees between January 1, 2005 and June 1, 2005, including Frank DiPascali, Eleanor Plaia (Madoff’s secretary), Liz Weintraub (head of IT), and several traders also assigned to the RA and ZA accounts.

- a. Emails demonstrating a concerted effort amongst Madoff, Andrew Madoff, Shana Madoff, and other employees to alter trading account information that was given to the SEC;
- b. Emails from Andrew Madoff instructing Cotellessa-Pitz to change the titles of the numbered accounts and assign the accounts to him in BLMIS's trading systems;
- c. Emails revealing BLMIS's true trading profits and losses, including emails from Mark Madoff to Andrew Madoff attaching the 2004 and 2005 P&L spreadsheets Mark Madoff created as well as emails from traders reporting the daily and monthly performance of their accounts;
- d. Emails expressing concern about the performance of the market-making business and plans to shift the focus to the proprietary trading business;
- e. Emails demonstrating Andrew Madoff's supervision of MSIL's trading business, including correspondence between Andrew Madoff and MSIL employees as well as automated emails sent daily to the Madoff Brothers reporting MSIL traders' daily, month-to-date, and year-to-date profits and losses;
- f. Emails revealing Mark Madoff's and Andrew Madoff's compliance responsibilities, including the fact that they were in charge of compliance review for new projects in Peter Madoff's and Shana Madoff's absence; and
- g. Emails demonstrating Andrew Madoff's involvement in compliance matters, including automated emails reminding him to "review the Monthly Trading Floor Compliance Reviews."

87. Perhaps even more indicative of the Madoff Brothers' knowledge of BLMIS's fraudulent activities is the fact that they also concealed emails that connected them to the IA Business. For example, emails deleted by the Madoff Brothers include the following:

- a. On November 19, 2004, a BLMIS trader asked Andrew Madoff whether "[Madoff] is accepting new clients" as his father-in-law's girlfriend wanted to "invest with Bernie." A handwritten note on a hard copy of the email reads, "Be sure to delete this one."
- b. On December 15, 2004, Mark Madoff received a fax from Prospect Capital Partners requesting a withdrawal from its IA customer account.
- c. A January 11, 2005 email to Mark Madoff states: "I spoke with your father; he explained your firm is not geared up for investing accounts of my size...If you see any opening in the future for me to be able to invest

with you guys; please let me know as I would like the opportunity. Nice to talk to you yesterday; take good care.”

- d. January 31, 2005 correspondence between Eleanor Plaia and Andrew Madoff: “Hi Andy, I would like to confirm with you the Picower meeting on Thursday, February 3rd at 9AM.” Andrew Madoff responded, “It’s confirmed.”
- e. Email correspondence between S. Donald Friedman and Andrew Madoff on February 1, 2005. Mr. Friedman wrote, “It’s done.” Andrew Madoff responded, “I’m glad I was able to help. Frank [DiPascali] asked if I would refrain from promising to wire funds in the future,[sic] I told him I would try to restrain myself.”

88. Other deleted emails show that the Madoff Brothers reviewed and discussed

BLMIS’s financial condition and statements with Madoff.

- a. On January 16, 2005, Mark Madoff wrote to Andrew Madoff, “How’s the OTHER issue going?” to which Andrew Madoff replied, “What issue? Dad hasn’t mentioned it,[sic] I guess there’s no problem. He’ll probably sit us down on Monday to walk us through the Focus.”
- b. Two days later on January 18, 2005, Andrew Madoff wrote to Mark Madoff, “I spoke with dad who conferred with Danny.⁶ Apparently everything is in balance, so we don’t need to worry. I love my job. I love my job. I love my job. Oops, Dad’s calling me again...”

89. The Madoff Brothers’ attempt to conceal these emails from the SEC further demonstrates that they knew the financial and operational information BLMIS reported to the regulatory authorities and to the public was false.

90. As a result of the SEC examination, Madoff was forced to admit—after repeated denials—that he was running an IA business. Shortly after Madoff’s admission, Andrew Madoff, other Madoff family members, and employees took affirmative steps to cover the trail of customer money from the IA business to the market-making and proprietary trading units. In June 2005, the IA accounts were changed from numbers to letters in

⁶ Upon information and belief, “Danny” is a nickname for Daniel Bonventre, BLMIS’s Director of Operations, who was convicted in the federal criminal trial along with other defendants.

BLMIS's trading systems to avoid raising any suspicion about the nature of these accounts. The day after this change was made, Andrew Madoff directed the IT department to suppress the numbered accounts so the profit and loss information for these accounts would not be visible on BLMIS's trading displays. Two weeks later, the stolen IA customer funds began passing to the market-making and proprietary trading units through MSIL.

The MSIL IA-Derived Revenue Transfers

91. From June 2005 to November 2008, over \$310 million of IA customer funds were transferred from the 703 account to MSIL's account at Barclays Bank and then from MSIL's account to the market-making and proprietary trading units' Bank of New York account. Between June 2005 and July 2006, the IA-derived revenue transfers continued to be recorded as "trading profits." But in August 2006, following BLMIS's registration as an Investment Adviser, the transfers from MSIL began being reported as "commission income" on BLMIS's books and records.

92. The purported "commission income" was nothing more than a means to disguise the laundering of money from the IA Business in order to falsely give the appearance that the market-making and proprietary trading businesses—run by the Madoff Brothers—were generating significant profits. On BLMIS's books and records, the description of the MSIL transfers as purported "commission income" received from MSIL was the thinnest of disguises for what was, in fact, stolen money.

93. As directors of the London entity, the Madoff Brothers reviewed and approved MSIL's financial statements each year and regularly reviewed MSIL's trading profits and losses. They knew that MSIL could not possibly have accrued hundreds of millions of dollars in commission owed to BLMIS, or anyone else for that matter, because MSIL never utilized more than \$40 million of capital in its trading activities. As the Madoff Brothers were well

aware, MSIL incurred almost no commissions of any sort because that business typically traded for its own accounts as a proprietary trading unit. Andrew Madoff even admitted that if BLMIS's market-making and proprietary trading units did receive commissions, they were infrequent and in immaterial or small sums.⁷

94. In fiscal year 2007, approximately \$174 million was transferred from the IA Business to an MSIL bank account. During this time period, approximately \$103 million was transferred back to bank accounts controlled by BLMIS where it was displayed on financial statements prepared for the market-making and proprietary trading businesses as "commission income." Based upon financial statements prepared by BLMIS for fiscal year 2007, this redirected commission income represented approximately 60% of the total revenues reported by the market-making and proprietary trading businesses the Madoff Brothers managed and supervised.

95. In fiscal year 2008, approximately \$90 million was transferred from the IA Business to an MSIL bank account. During this time period, approximately \$87 million was transferred back to bank accounts controlled by BLMIS where it was falsely displayed on financial statements prepared for the market-making and proprietary trading businesses as "commission income." For fiscal year 2008, this re-directed commission income represented more than 70% of the total revenues reported by the market-making and proprietary trading businesses managed by the Madoff Brothers.

96. The financial statements prepared by BLMIS for fiscal years 2000 through 2008 falsely indicated that the market-making and proprietary trading units generated tens of millions of dollars in net income. In reality, however, the market-making and proprietary

⁷ Andrew Madoff Re-Amended Defence Statement at ¶ 73.

trading businesses would have generated millions of dollars in losses had they not been improperly subsidized with fraudulent transfers of customer property from the IA Business.

97. The Trustee's investigation has not revealed any conceivable business reason that hundreds of millions of dollars in commissions would have been owed to BLMIS by the trading unit at MSIL, as confirmed by Andrew Madoff's admission that commissions were immaterial. The Madoff Brothers ignored the inflow of these unusually large transfers—which made the proprietary trading and market-making units appear profitable where they otherwise would not have been—to justify the outlandish compensation, bonuses, and other transfers that they received from BLMIS, funded by victimized IA customers.

DESPITE BLMIS'S DECLINING PROFITS, THE MADOFF BROTHERS CONTINUED TO SIPHON MONEY FROM BLMIS

98. As Co-Directors of Trading, the Madoff Brothers knew the true financial condition of the market-making and proprietary trading businesses. Yet, they and other Madoff family members continued to indulge and gorge themselves on excessively high salaries, bonuses, and other compensation lacking any relation to what they knew to be the business's actual performance.

99. For example, in 2007, the Madoff Brothers' salaries and bonuses exceeded \$20 million. Andrew Madoff received \$1,040,000 in salary and a \$9,020,000 bonus (of which \$8,527,336 was funded by a withdrawal from his purported IA deferred compensation account) and Mark Madoff received \$738,650 in salary and a bonus of \$9,321,350. But that year (excluding the IA-derived revenue), the market-making and proprietary trading businesses generated \$46,196,225 in revenue but with expenses of \$104,439,512 as reported on the FOCUS reports, were operating at a net loss of \$58,243,288. The Madoff Brothers' compensation, equal to about 43% of gross revenues, is grossly excessive under any industry

standard and gluttonous in light of their knowledge that the company would end the year with more than \$58 million in net losses and that the revenue would fall short of covering rent, employee salaries, and other operating expenses. The Madoff Brothers' compensation did not reflect any reasonable measure of their performance but was simply Madoff's attempt to unjustly enrich his sons with funds stolen from the defrauded IA customers.

100. With their fraudster father's blessing, the Madoff Brothers took millions of dollars in unjustified compensation to support their own lavish lifestyles, which was paid with the investment money and life savings of the defrauded IA customers.

THE PONZI SCHEME BENEFITED THE DEFENDANTS

101. As alleged throughout this Third Amended Complaint, the Defendants were massively enriched by the Ponzi scheme. Each received, directly or indirectly, substantial transfers of money from BLMIS which properly belonged to the company and, ultimately, its customers. The transfers received by, or for the benefit of, each of the Defendants, as discovered by the Trustee's investigation to date, are identified in Exhibits A-F hereto. Although many of these transfers were effected through paperwork that was falsified, backdated, and/or fabricated to make them look as if they were based on real business activities, these transfers actually came from the investment funds of IA customers. The Defendants could not have had a good-faith basis to believe that they were entitled to the money or that it was the result of any purported benefit or value they conferred onto BLMIS.

Mark Madoff And Stephanie Mack

102. To date, the Trustee has identified at least \$80,631,109 in avoidable and recoverable transfers from BLMIS to Mark Madoff, or to entities and individuals for his benefit. Mark Madoff's widow, Defendant Stephanie Mack, through, among other things,

deposits into jointly held bank accounts and the purchases of jointly owned homes, benefitted from the transfers received while she was married to Mark Madoff. Defendant Stephanie Mack also received subsequent transfers of property interests of undetermined value, resulting from her marriage to Mark Madoff. The particular transfers that comprise those totals are identified in Exhibits B-D.

103. Mark Madoff and Stephanie Mack lived high-end lifestyles with homes in Manhattan, Nantucket, and Greenwich, Connecticut, all paid for by BLMIS with customer funds. BLMIS funds paid for all aspects of their lavish lifestyle: from the purchases of their multi-million dollar houses, to the mattresses and box springs they slept on, the television in their home gym, and the outdoor shower in their home. In addition, BLMIS provided Mark Madoff with astronomical compensation—between 1993 and 2008, he was paid \$33,554,960, including bonuses of \$4.8 million in 2006 and over \$9 million in 2007—during years when the market-making and proprietary trading businesses would have reported significant losses had they not been artificially propped-up by funds stolen from the IA Business. As described above, Mark Madoff also maintained, among other accounts, seven IA customer accounts for himself and his family members. Mark Madoff redeemed \$18,729,227 from these investment accounts prior to December 2008 despite having invested a total of only \$381,393 over the life of the accounts.

104. In addition to Mark Madoff's exorbitant compensation and the massive "profits" he withdrew from his IA accounts, Mark Madoff also received nearly \$29 million in fraudulently diverted funds distributed from BLMIS to him, to others for his benefit, and to entities in which he had an interest, for which BLMIS received no corresponding benefit or

value. These transfers, for which BLMIS received no corresponding benefit or value, are identified in Exhibits B-C, and include:

- a. In May and June of 2008, \$6,645,000 was transferred from the 703 Account directly to Mark Madoff and Stephanie Mack's real estate attorney for their purchase of a home located at 51 Wanoma Way, Nantucket, MA 02554 (the "51 Wanoma Way Property"). Although this transfer took the form of a purported "promissory note" from Mark Madoff and Stephanie Mack to Madoff with a 3.2% interest rate, the Trustee has found no evidence that this note was ever serviced or that any amount was repaid to BLMIS.
- b. In June 2005, Mark Madoff's mother, Ruth Madoff, purported to "loan" him at least \$5,556,589 pursuant to a "promissory note" in connection with his and Stephanie Mack's purchase of an apartment located at 583 Broadway, Apt. 4M, New York, NY 10021 (the "583 Broadway Property"). Those funds, however, originated from the BLMIS 703 Account. The Trustee has found no evidence that this "loan" was ever serviced or that any amount was repaid to BLMIS.
- c. Only a year earlier, in March 2004, Mark Madoff's mother, Ruth Madoff, had purported to "loan" him at least \$2,925,000 to purchase another Manhattan apartment located at 457-461 West Broadway, Unit 4N, New York, NY 10012 (the "457-461 West Broadway Property"). Once again, the money Mark Madoff received originated from the 703 Account and BLMIS was never repaid. On or around February 2, 2005, Mark Madoff subsequently and gratuitously transferred an ownership interest in this apartment to Stephanie Mack.
- d. On February 21, 2001, BLMIS sent four checks from its operating account totaling \$1,232,680 to various entities for Mark Madoff's purchase of an apartment located at 164 East 72nd Street, #4B, New York, NY 10021. Not surprisingly, Mark Madoff received these funds under a purported \$1.3 million "promissory note" from Madoff that was never serviced or repaid.
- e. In March 2000, Mark Madoff purchased a \$2,242,500 home located at 21 Cherry Valley Road, Greenwich, CT 06831, funded by transfers from BLMIS's operating account and Madoff's personal account at Bank of New York directly to Mark Madoff's attorneys. Again, some of these payments were documented as a purported "promissory note" from Ruth Madoff, however the Trustee has found no evidence that the notes were ever serviced or the amounts repaid to BLMIS.
- f. Upon information and belief, BLMIS and/or Madoff funded another purchase of a home by Mark Madoff, located at 411 Stanwich Rd.,

Greenwich, CT, 06830. Mark entered into two separate financial agreements—a “promissory note” with Madoff on December 2, 1994 for \$600,000, and a purported secured note with Ruth Madoff on December 3, 1994 for \$1 million—to fund this home purchase. At least one of these financial agreements was purportedly restructured and substituted by another “promissory note” document in favor of Ruth Madoff in the amount of \$1.1 million dated March 25, 2000.

- g. From May 31, 1997 to November 30, 1997, BLMIS transferred \$42,475 to Edrich Fine Arts for the purchase of artwork for one of Mark Madoff’s residences.
- h. From April 26, 2000 to December 14, 2001, BLMIS also transferred \$786,484 to Mark Madoff’s interior decorator, Vicente Wolf Associates.
- i. Mark Madoff held a 22.275% ownership stake in Madoff Brokerage Trading and Technology, LLC, which was financed by a January 11, 2001 payment of \$779,625 from one of BLMIS’s operating accounts.
- j. Mark Madoff’s \$5 million ownership interest in MSIL was funded by a December 18, 1998 transfer from BLMIS. This transfer was made pursuant to at least one “loan” agreement between Madoff and Mark Madoff and was never repaid.
- k. On January 28, 2004, BLMIS transferred \$24,939 to Mark Madoff for the purchase of a Volkswagen automobile.
- l. BLMIS funds were used to pay for \$792,816 in personal expenses charged to Mark Madoff’s American Express card between 2002 and 2008 for the benefit of Mark Madoff and, while she was married to Mark Madoff, Stephanie Mack.

105. Upon Mark Madoff’s death, his interests in the 51 Wanoma Way and 583 Broadway Properties were purportedly transferred to Defendant Stephanie Mack (the “51 Wanoma Way and 583 Broadway Transfers”). The transfers of the funds to purchase the 51 Wanoma Way and 583 Broadway Properties came from the pockets of innocent IA customers in the guise of purported personal loans from his parents, and are thus avoidable and recoverable against The Estate of Mark Madoff. The subsequent transfers to Defendant Stephanie Mack upon Mark Madoff’s death of the properties for no value were fraudulent, and thus are also recoverable from Defendant Stephanie Mack through this action. Defendant

Stephanie Mack did not provide any value for these transfers. Moreover, at the time of the 51 Wanoma Way and 583 Broadway Transfers, Defendant Stephanie Mack was on notice of the avoidability and recoverability of the transfers used to purchase these Properties because of the pendency of this adversary proceeding.

106. The Trustee filed a Notice of Claim in the probate of the Estate of Mark D. Madoff, File No. 2011-39, currently pending in Surrogate's Court, New York County.

Andrew Madoff

107. Like Mark Madoff and Stephanie Mack, Andrew Madoff also lived a high-end lifestyle funded by the money entrusted to BLMIS by its IA customers. To date, the Trustee has discovered at least \$72,662,007 in avoidable and recoverable transfers from BLMIS to Andrew Madoff, or to entities and/or individuals for his benefit.

108. Between 1993 and 2008, Andrew Madoff was paid \$34,217,845 in salary, bonuses, and purported deferred compensation. His compensation included bonuses and purported deferred compensation of over \$4.8 million in 2006 and over \$9 million in 2007 alone—years when the market-making and proprietary trading business units would have reported significant losses had they not been artificially propped up by funds from the IA Business. As described above, Andrew Madoff also maintained, among other accounts, seven IA accounts in his name, including two IA accounts held jointly with his wife, Deborah Madoff. The Trustee's investigation to date shows that Andrew Madoff invested only \$569,006 into those accounts, yet he redeemed \$17,175,854 from the accounts prior to December 2008.

109. In addition to his excessive compensation and the fabricated returns on his IA accounts, Andrew Madoff improperly received more than \$22 million in fraudulently diverted funds distributed from BLMIS to him, to third parties for his benefit, and/or to entities in

which Andrew Madoff held an interest. These transfers, for which BLMIS received no corresponding benefit or value, are listed in Exhibits E-F, and include:

- a. Madoff purported to “loan” Andrew Madoff at least \$4,485,000 pursuant to a “promissory note” in 2008 for the purchase of an apartment located at 433 E. 74th Street, Apt. 5E, New York, NY 10021. That money, however, was wired directly to Andrew Madoff’s real estate agents and lawyers from the 703 Account. The Trustee has not discovered any evidence that this “loan” was ever serviced or repaid.
- b. On November 25, 2003, Ruth Madoff purported to “loan” Andrew Madoff \$6.8 million to purchase another apartment located at 10 Gracie Square, Apt. 10G, New York, NY 10028, with his wife Deborah Madoff. That money, however, was transferred from the 703 Account to a bank account held by Andrew Madoff and, despite Andrew Madoff’s indication that he used purported deferred compensation to repay this “loan,” the Trustee has not found any evidence that this “loan” was ever serviced or repaid.
- c. Upon information and belief, Andrew and Deborah Madoff’s purchase of a house located at 57 Tomac Avenue, Old Greenwich, CT 06870 was funded by a transfer of \$100,000 on October 17, 1996 from Andrew Madoff’s IA account 1M0073 as well as a \$300,000 transfer from BLMIS and/or Madoff on October 21, 1996, in the form of a “promissory note” from Andrew Madoff to Ruth Madoff.
- d. On April 17, 1995, Madoff made three payments totaling \$1,488,000 to third parties for the purchase of a co-op for Andrew and Deborah Madoff located at 131 E. 66th Street, Unit 6/7A, New York, NY 11234. These transfers were, for the most part, the subject of two other purported “promissory notes” from Andrew Madoff to Madoff totaling \$1,440,000.
- e. Andrew Madoff held a 22.275% ownership stake in Madoff Brokerage Trading and Technology, LLC, which was financed by a January 11, 2001 payment of \$779,625 from one of BLMIS’s operating accounts.
- f. Andrew Madoff’s \$300,000 interest in a business called Blow Styling Salon, LLC was funded with transfers from the 703 Account in May and September of 2008.
- g. Andrew Madoff’s \$5 million ownership interest in MSIL was funded by a December 18, 1998 transfer from BLMIS under a “loan” agreement between Madoff and Andrew Madoff. Despite Andrew Madoff’s indication that he used purported deferred compensation funds to repay this loan, the Trustee has found no evidence that this “loan” was ever repaid.

- h. A \$12,000 down payment on Andrew Madoff's boat in 2003 was paid with a check issued by one of the BLMIS operating accounts.
- i. BLMIS paid \$68,900 to Beacon Point Marine in Connecticut in 2002 for Andrew Madoff's benefit.
- j. In 2001 and 2002, BLMIS funds were used to pay \$75,000 to "Lock and Hackle," for Andrew Madoff's membership in a fly fishing and hunting club in Miami, Florida.
- k. Between 2002 and 2008, BLMIS funds were used to pay for \$810,419 in personal expenses charged to Andrew Madoff's American Express card such as clothes, boat rentals, and vacation travel for him and his wife and daughters. In addition, BLMIS funds were used to pay for \$15,501 in charges to Deborah Madoff's American Express card, even though she was never employed by BLMIS.

**THE SHAM LOANS THAT THE MADOFF BROTHERS RECEIVED SHOW THEIR
WILLINGNESS TO CONVERT IA CUSTOMER FUNDS FOR THEIR OWN
PERSONAL GAIN**

110. As detailed above, the Madoff Brothers received several gratuitous transfers from BLMIS often disguised as "loans" and/or "promissory notes" from Madoff and/or Ruth Madoff for their purchases of personal real estate and business interests.⁸ While these sham loans were often papered over by promissory notes in favor of Madoff or Ruth Madoff, the Madoff Brothers knew or were willfully blind to the fact that the money to fund these sham loans originated from bank accounts under the control of BLMIS, including from BLMIS's 703 account, where IA customer funds were principally deposited.

111. For example, on February 22, 2001, Mark Madoff executed a "promissory note" in favor of Madoff for \$1.3 million for his use to purchase an apartment located at 164 E. 72nd Street in Manhattan. One day earlier, as reflected in the transaction's closing binder, four checks drawn on a BLMIS bank account in the total amount of \$1,232,680 were

⁸ Peter Madoff and DiPascali both admitted that Madoff gave them substantial sums of money with no expectation of re-payment that was falsely documented as loans in order to avoid gift taxes. *See United States v. Peter Madoff*, Case No. 10-CR-228 (LTS), Tr. 35; *United States v. Bonventre, et al.*, Case No. 10-CR-228 (LTS), Trial Tr. 6105.

delivered to the sellers, the New York State Department of Tax, and other individuals and entities associated with this purchase. Although the “promissory note’s” maturity date was December 31, 2003, Mark Madoff never repaid this money to Madoff or BLMIS.

112. Andrew Madoff received a \$5 million “loan” from Madoff to purchase his interest in MSIL as well as a \$6.8 million “loan” from Ruth Madoff to purchase his cooperative at 10 Gracie Square in Manhattan. The funds “loaned” to Andrew Madoff were transferred from BLMIS’s bank accounts. Andrew Madoff allegedly used the purported profits in his fictitious deferred compensation accounts to purportedly repay two of his “loans”—in 2006, Andrew applied \$5,726,367 of his purported deferred compensation to repay the \$5 million “loan” from Madoff and, in 2007, Andrew Madoff applied \$7,765,699 of his purported deferred compensation to repay the \$6.8 million “loan” from Ruth Madoff—however, Andrew Madoff’s purported repayments were merely fraudulent book entries *as no money was actually returned to BLMIS and there was no money in his deferred compensation account to make these payments*. Andrew Madoff knew that these purported repayments were fake as he did not report these purported deferred compensation withdrawals on his 2006 or 2007 tax returns, when the withdrawals allegedly took place.

113. The Madoff Brothers never intended to, and in fact did not, repay millions of dollars of customer property transferred to them pursuant to these sham loans. Given Mark Madoff’s and Andrew Madoff’s knowledge of the origin of the transfers, these sham promissory notes and loan agreements were, without question, further indicia of fraud and the Madoff Brothers’ unapologetic abuse of BLMIS as their own personal cookie jar.

**IF BLMIS’S COMPLIANCE AND SUPERVISORY PROCEDURES WERE FOLLOWED
THEY WOULD HAVE PREVENTED THE FRAUD**

114. The Madoff Brothers, as securities professionals and senior management and supervisory personnel at BLMIS, were not only aware of the indicia of fraud described above and deceitfully siphoned millions of dollars out of BLMIS to fund their personal expenditures, but they also ignored their obligations to ensure that BLMIS was operating lawfully—and in accordance with the company’s own policies—in order to continue to exploit the illegal fruits of the IA Business.

115. Specifically, important compliance and supervisory roles were held by the Madoff Brothers who, rather than approach their jobs with appropriate professional diligence, failed to properly and faithfully carry out their duties and responsibilities. Policies dictating their duties and responsibilities included BLMIS’s “Internal Risk Management Controls” which proclaimed that:

Bernard L. Madoff Investment Securities LLC (“Madoff”) takes very seriously its responsibility to maintain a stringent risk management supervisory system. Risk management includes the continuous identification, management, measurement and oversight of Madoff’s various business risks...Senior management is directly involved [in oversight through an]...intricate system of supervision, review, and communication between Madoff’s senior management, supervisory, trading, operations and systems personnel.

116. Not one of these assertions, however, was true. Senior management—the Madoff Brothers—did not do their jobs. Had they not knowingly enabled or chosen to willfully blind themselves to the prevalent fraud permeating BLMIS, they could have stopped the Ponzi scheme many years ago.

117. In that same document, BLMIS claimed that it “has established and maintains...internal controls to ensure the integrity of the firm’s written supervisory and

operational procedures.” As part of that supervision, “Senior Management” (which included the Madoff Brothers) was required to communicate with “department managers on a daily basis to provide guidance to ensure that proper procedures are being followed.”

118. These duties existed long before BLMIS’s registration as an Investment Adviser in 2006. The 1996 Compliance Manual, which governed all aspects of BLMIS’s business, including the IA Business, proclaimed that BLMIS would “always follow a policy of strict adherence to the dictates of sound investment principles and practices and high ethical standards.” That manual reminded all registered representatives, which included the Madoff Brothers, of their “professional obligation to conduct [their] business affairs in a moral, ethical and legal manner.”

119. Although the 1996 Compliance Manual designated Madoff as a supervising principal, it did not do so exclusively. In Madoff’s absence, the 1996 Compliance Manual provided that Peter Madoff had that principal responsibility and, in his absence, that “Mark D. Madoff shall be responsible for carrying on the firm’s policy.” Later manuals appointed both Mark Madoff and/or Andrew Madoff in charge of the business in Madoff’s absence.

120. The 1996 Manual further appointed Mark Madoff as Director of Trading, responsible for the “day to day responsibility of supervising the firm’s business of trading and market-making.” Andrew Madoff was designated the Director of Over-the-Counter (“OTC”) Trading and “responsible for overall supervision of OTC transactions that occur as part of Madoff’s business.” DiPascali—an instrumental conspirator and 20-plus year accomplice in Madoff’s Ponzi scheme who plead guilty to a ten-count information in 2009 for his role in the fraud—was listed alongside the Madoff Brothers in this manual and given responsibility over options transactions.

121. Moreover, the Madoff Brothers were far from ignorant about the operations of the IA Business. In addition to the supervision they were required to exercise across the entire business, they each, at times, played specific roles in the operation and control of the IA Business as well. For example:

- a. Andrew Madoff referred customers to the IA Business.
- b. Andrew Madoff had direct communications with IA customers about their accounts.
- c. Andrew Madoff communicated with IA personnel about customers' requests.
- d. The Madoff Brothers were both approached by potential investors that wanted the opportunity to invest with Madoff.
- e. Following BLMIS's long-delayed registration with the SEC as an Investment Adviser in August 2006, Andrew Madoff reviewed and corrected Bloomberg's portrayal of the IA Business, noting that it had been improperly characterized.
- f. All of BLMIS's business was conducted out of the same floor (18th floor) in Manhattan's Lipstick building until February 1990, when the IA Business moved to the 17th floor. Mark Madoff and Andrew Madoff began working at BLMIS in the 1980's and had full access and visibility into the IA Business for several years before it moved to the 17th floor.
- g. Even after the BLMIS office space expanded, the Madoff Brothers had complete and full physical access to the 17th floor where the Ponzi scheme took place.
- h. Financial industry press reports, including a May 27, 2001 article in Barron's entitled "Don't Ask, Don't Tell: Bernie Madoff is so secretive, he even asks investors to keep mum," and a May 2001 article in MAR/Hedge, a newsletter widely-read by hedge fund industry professionals, entitled "Madoff Tops Charts; Skeptics Ask How," raised serious questions about the legitimacy of BLMIS and Madoff. Those articles also questioned BLMIS's ability to achieve the returns purportedly attributable to Madoff's SSC Strategy. The Madoff Brothers read those articles and denied the charges to BLMIS employees.
- i. The Madoff Brothers both approved guidelines that were intended to be followed when setting IA employees' salaries and bonuses.

- j. The Madoff Brothers were both authorized to transact *all* business required for BLMIS.
- k. The Madoff Brothers were both authorized to hire and terminate *all* company employees.
- l. The Madoff Brothers both had the authority to bind BLMIS to contracts.
- m. The Madoff Brothers were held out as the future successors to Madoff with respect to the IA Business.

122. The Madoff Brothers had to know that the representations made by BLMIS in the Form ADV—the form used by investment advisers to register with both the Securities and Exchange Commission and state securities authorities—relating to assets under management and the number of accounts were entirely false. For example, in or about January 2008, BLMIS filed a Form ADV for Investment Adviser Registration with the SEC. In the application, BLMIS represented that it had 23 customer accounts and assets under management of approximately \$17.1 billion. In fact, in January 2008, BLMIS had over 4,900 open customer accounts with a purported value of approximately \$68 billion under management (based on customer account statements reflecting fictitious profits for trades which, in fact, never took place). The Madoff Brothers knew, at a minimum, that their personal, family, and friends' IA accounts alone exceeded the 23 accounts reported to the government.

123. The Investment Advisory Manual for the IA Business required responsibilities and layers of oversight that were never fulfilled or implemented and placed responsibility on the shoulders of the Madoff Brothers, who both held senior management and supervisory positions at BLMIS. For example, the September 2006 Investment Advisory Compliance Manual dictates that:

[A]ny person with the requisite degree of responsibility, ability, or authority to affect the conduct of the employee whose behavior is

at issue may be deemed a 'supervisor.' *A person's actual authority and responsibility, not merely title and status, determine whether that person is a 'supervisor.'*

124. The Investment Advisory Compliance Manual required the Madoff Brothers to:

- a. Monitor (or delegate and supervise the monitoring of) the activities of BLMIS personnel to ensure that the policies and procedures in this manual are being followed;
- b. Respond to 'red flags' (such as indications that material nonpublic information has been inappropriately communicated or that insider trading has occurred) and reasonably correct problems that may arise; and
- c. Pay 'prompt close attention' to 'any aberrational activity. Supervisors should be skeptical of any failure to adhere to BLMIS policies and procedures. *Once red flags have been detected, a supervisor has an affirmative duty to investigate any problem and follow up to ensure that the problem has been corrected.'*

125. The Madoff Brothers ignored these duties, and in so doing, ensured the survival and proliferation of Madoff's Ponzi scheme, which enabled them to continue to live the lavish lifestyles to which they had become accustomed by spending the IA customers' money.

126. The Madoff Brothers were each FINRA-registered securities principals of BLMIS. As such, they had supervisory responsibilities to ensure compliance with BLMIS's policies and procedures as well as with federal securities laws. The Trustee's investigation has not revealed any evidence of meaningful and consistent supervision by either of the Madoff Brothers to ensure that BLMIS was conducting its business in a lawful manner. This inaction was their disguise, so they could later seek to profess ignorance of the obvious fact that no securities transactions were taking place within the IA Business so they could continue to gorge on the fruits of the IA fraud. This failure to undertake any semblance of the responsibilities attendant with their roles as supervisors and registered principals was a critical

part of the way in which the Ponzi scheme was hidden from BLMIS's customers and the regulators.

127. The Madoff Brothers were—like their uncle Peter Madoff, who has already pleaded guilty to his role in the fraud—registered general securities principals at BLMIS and served in that role at BLMIS pursuant to their maintenance of a FINRA Series 24 registration. The exam is designed to ensure that a principal of a broker-dealer has the requisite knowledge and competence, and serves to emphasize the principal's obligations to supervise the operations of a broker-dealer and its employees. Registered principals are responsible for ensuring, among other things: (i) firm compliance; (ii) that regulatory requirements are met; and (iii) the establishment, maintenance, and implementation of proper supervisory procedures. With respect to these obligations, the Madoff Brothers (like their uncle Peter) failed the customers who opened accounts and entrusted their money to BLMIS.

128. The Madoff Brothers, at a minimum, consciously and willfully turned a blind eye to these and other duties, thus protecting and prolonging the Ponzi scheme that enriched them for many years.

Supervisory Failures Relating To MSIL

129. MSIL also maintained its own Compliance Manual which, upon information and belief, was last updated in January 2004. The Madoff Brothers, and their uncle Peter Madoff, were all Directors of MSIL and were designated as "Approved Persons" of MSIL by British regulatory authorities. The MSIL manual required that "Approved Persons" comply with the Financial Services Authority's "Statements of Principle for Approved Persons." These include acting with "due skill, care and diligence in carrying out his accountable functions," and taking "reasonable steps to ensure that the business of the firm for which he is responsible...is organised so that it can be controlled effectively." The Trustee has not found

evidence that the required periodic supervisory review was regularly conducted on an on-going basis by the Madoff Brothers to ensure compliance with law. Again, their failures to discharge their duties enabled and facilitated the Ponzi scheme.

130. As directors and supervisors of the market-making and proprietary trading businesses, the Madoff Brothers knew or willfully blinded themselves to the fact that the primary source of revenue for the market-making and proprietary trading businesses was, in fact, nothing more than customer money redirected from the IA Business. Irrespective of their insider status, knowledge, and failure to faithfully carry out their compliance, supervisory, and managerial responsibilities, the Madoff Brothers were compensated excessively over many years even while the trading businesses they managed were incurring millions of dollars in losses and could not afford the millions of dollars in exorbitant salaries, bonuses and other compensation paid to them. The Trustee seeks to recoup this unjust enrichment, and all direct and indirect transfers of those funds that were made to or for the benefit of the Defendants.

**EVEN AFTER THE FRAUD HAS BEEN REVEALED THE MADOFF BROTHERS’
CONTINUE TO SEEK MILLIONS MORE**

131. In July of 2009, Mark Madoff filed the following non-customer general creditor proofs of claim asserting claims for deferred compensation that allegedly had accrued in his purported deferred compensation account, as well as purported unpaid salary, bonuses, and investments in MSIL:

- a. Claim Nos. 100328 and 100428 in the collective amount of \$53,848,721.06. Of that amount, \$10,950 was sought to be treated as an allowed unsecured priority claim under section 507(a)(4)(A) of the Bankruptcy Code.⁹

⁹ Claim No. 100428 is identical to and duplicative of Claim No. 100328.

Copies of these proofs of claim are attached hereto as Exhibit G.

132. In July of 2009, Andrew Madoff filed the following non-customer general creditor proofs of claim also asserting claims for deferred compensation that allegedly had accrued in his purported deferred compensation account, as well as purported unpaid salary, bonuses, and investments in MSIL:

- a. Claim Nos. 100329 and 100427 in the amount of \$45,690,776.95, and of that amount, \$10,950 was sought to be treated as an allowed unsecured priority claim under section 507(a)(4)(A) of the Bankruptcy Code.¹⁰

Copies of these proofs of claim are attached hereto as Exhibit G.

133. In addition, Andrew Madoff and Deborah Madoff filed customer claims with the Trustee (the “Customer Claims”). A chart setting forth information contained in the Customer Claims is attached hereto as Exhibit H. Exhibit H lists the following information for each Customer Claim: (i) the BLMIS account number to which the Customer Claim refers; (ii) the name of the BLMIS account and Customer Claim holder; (iii) the date the Customer Claim was filed; (iv) the Claim Number designated by the Trustee for each Customer Claim; (v) the status of each Customer Claim, including whether the claim was objected to; and (vi) the date an objection, if any, was filed with respect to the Trustee’s determination of each Customer Claim.

134. On December 23, 2008, the Court entered an Order on the Application for Entry of an Order Approving Form and Manner of Publication and Mailing of Notices, Specifying Procedures for Filing, Determination and Adjudication of Claims, and Providing Other Relief (the “Claims Procedures Order,” Dkt. No. 12). The Claims Procedures Order includes a process for determination and allowance of claims under which the Trustee has

¹⁰ Claim No. 100427 is identical to and duplicative of Claim No. 100329.

been operating. The Trustee intends to resolve the Customer Claims and any related objections to the Trustee's determination of such claims through a separate hearing as contemplated by the Claims Procedures Order.

135. The Trustee seeks disallowance of the Madoff Brothers' Customer and Non-Customer Claims (collectively, the "Madoff Brothers' Claims") under Bankruptcy Code sections 502(a), 502(b)(1), and 502(d), and also seeks to equitably subordinate the Madoff Brothers' claims under Bankruptcy Code section 510(c).

**ANY OBLIGATIONS TO THE DEFENDANTS INCURRED BY BLMIS AND/OR
MADOFF ARE AVOIDABLE**

136. To the extent BLMIS or Madoff incurred obligations for the benefit of the Defendants in connection with any IA accounts, including any purported deferred compensation, such obligations (collectively, the "Obligations") are avoidable under sections 105(a), 544(b), and 548(a) of the Bankruptcy Code, applicable provisions of sections 273-279 of the DCL, and applicable provisions of SIPA, including sections 78fff(b) and 78fff-1(a)-(b). BLMIS and/or Madoff incurred the Obligations as an integral part and in furtherance of BLMIS's Ponzi scheme.

137. To the extent BLMIS and/or Madoff incurred the Obligations to the Defendants, such Obligations were incurred with actual intent to hinder, delay, or defraud then existing and/or future creditors.

138. To the extent BLMIS and/or Madoff incurred the Obligations, such Obligations were incurred when BLMIS was insolvent, had unreasonably small capital, and/or was unable to pay its debts as they matured. BLMIS was a massive Ponzi scheme, which, as a matter of law, was insolvent from its inception and, therefore, never capable of fulfilling its obligations to its creditors.

**THE MADOFF BROTHERS RECEIVED AND/OR BENEFITTED FROM TRANSFERS
OF IA CUSTOMER MONEY TOTALING MORE THAN \$153 MILLION**

139. Prior to the Filing Date, BLMIS made transfers to or for the benefit of the Madoff Brothers totaling at least \$153,293,116 (the “Madoff Brothers Total Initial Transfers”). A table setting forth each of the Madoff Brothers’ Total Initial Transfers is attached hereto as Exhibit A. The Madoff Brothers’ Total Initial Transfers were and continue to be customer property and are avoidable and recoverable under sections 105(a), 544, 547, 548, 550, and 551 of the Bankruptcy Code, applicable provisions of SIPA, particularly 15 U.S.C. § 78fff-2(c)(3), sections 203(g) and 213(8) of the NY CPLR, and NY DCL §§ 273-279. The Madoff Brothers’ Total Initial Transfers are also avoidable to the extent they were made on account of the avoidable Obligations.

140. Of the Madoff Brothers’ Total Initial Transfers constituting IA account withdrawals, \$35,116,624 constitutes fictitious profits comprised of other people’s money received by the Madoff Brothers between the opening dates of their IA accounts and the Filing Date; \$788,457 constitutes principal received by the Madoff Brothers during the same period. These withdrawals are detailed in Exhibits C and F.

141. On the Filing Date, the facts supporting this action could, for the first time with reasonable diligence, have been discovered by certain unsecured creditors of BLMIS, including defrauded BLMIS IA customers. Therefore, of the Madoff Brothers’ Total Initial Transfers, the Trustee seeks to set aside and recover at least \$64,643,271 in transfers which took place earlier than the Madoff Brothers’ Six-Year Transfers identified below. These transfers can be set aside and are recoverable under sections 105(a), 544, 550, and 551 of the Bankruptcy Code, applicable provisions of SIPA, particularly SIPA § 78fff-2(c)(3), sections 203(g) and 213(8) of the NY CPLR, and section 276 of the NY DCL.

142. Of the Madoff Brothers' Total Initial Transfers, at least \$88,649,845, as identified on Exhibit A, was made to or for the benefit of the Madoff Brothers during the six years prior to the Filing Date (the "Madoff Brothers' Six-Year Transfers"). The Madoff Brothers' Six-Year Transfers are avoidable and recoverable under sections 105(a), 544, 550(a), and 551 of the Bankruptcy Code, applicable provisions of SIPA, particularly 15 U.S.C. § 78fff-2(c)(3), and applicable provisions of DCL §§ 273-279. The Madoff Brothers' Six-Year Transfers are also avoidable to the extent they were made on account of the avoidable Obligations.

143. Of the Madoff Brothers' Six-Year Transfers, at least \$35,303,204, as identified on Exhibit A, was made to or for the benefit of the Madoff Brothers during the two years prior to the Filing Date (the "Madoff Brothers' Two-Year Transfers"). The Madoff Brothers' Two-Year Transfers are additionally avoidable and recoverable under sections 105(a), 548(a)(1), 550(a), and 551 of the Bankruptcy Code and applicable provisions of SIPA, particularly SIPA 78fff-2(c)(3). The Madoff Brothers' Two-Year Transfers are also avoidable to the extent they were made on account of the avoidable Obligations.

144. Of the Madoff Brothers' Two-Year Transfers, at least \$3,829,212, as identified on Exhibit A, was made to or for the benefit of the Madoff Brothers in the one year period prior to the Filing Date (the "Madoff Brothers' Preference Period Transfers"). The Madoff Brothers' Preference Period Transfers are additionally recoverable as avoidable preference payments under sections 105(a), 547, 550(a), and 551 of the Bankruptcy Code and applicable provisions of SIPA, including 15 U.S.C. § 78fff-2(c)(3).

145. To the extent that any of the recovery counts may be inconsistent with each other, they are to be treated as being pleaded in the alternative.

146. All of the factual allegations in this Third Amended Complaint are based upon information available to the Trustee at this time based on his investigation and discovery to date. The Trustee's investigation of the obligations incurred by BLMIS, the transfers and subsequent transfers from BLMIS to/or for the benefit of the Defendants, and the extent to which the Defendants benefited at the expense of BLMIS customers, remains ongoing. Subject to further leave of the Court, the Trustee reserves the right to supplement his allegations with respect to the facts and amounts recoverable should further information become available.

**DEFENDANT STEPHANIE MACK RECEIVED AND/OR BENEFITTED FROM
SUBSEQUENT TRANSFERS OF IA CUSTOMER MONEY**

147. Based on the Trustee's investigation to date, subsequent transfers of property interests of undetermined value were made to Defendant Stephanie Mack (the "Subsequent Transfers") that are recoverable under sections 105(a) and 550 of the Bankruptcy Code, applicable provisions of SIPA, particularly 15 U.S.C. § 78fff-2(c)(3), and § 278 of the NY DCL. The Subsequent Transfers are identified on Exhibit D and described in the below paragraphs.

148. The Trustee in this adversary proceeding seeks to avoid and recover from the Estate of Mark D. Madoff, and Andrew Madoff in his capacity as Executor of the Estate of Mark D. Madoff, initial transfers made by BLMIS in connection with the purchase of the 457-461 West Broadway, 51 Wanoma Way, and 583 Broadway Properties. Based on the Trustee's investigation to date, on or around January 19, 2005, an interest in the 457-461 West Broadway Property was gratuitously transferred by Mark Madoff to Defendant Stephanie Mack, and should be recoverable as a subsequent transfer to Defendant Stephanie Mack. In addition, Mark Madoff's interests in the 51 Wanoma Way and 583 Broadway Properties

should be recoverable as subsequent transfers to Defendant Stephanie Mack upon Mark's death.

149. The Mark Madoff Initial Transfers are avoidable and were subsequently transferred to, or for the benefit of, Defendant Stephanie Mack, and are recoverable from her, pursuant to sections 105(a) and 550 of the Bankruptcy Code.

150. To the extent that any of the recovery counts may be inconsistent with each other, they are to be treated as being pleaded in the alternative.

151. The Trustee's discovery and investigation is ongoing, and the Trustee reserves the right to: (i) supplement the information on the Initial Transfers, the Subsequent Transfers, and any additional transfers; and (ii) seek avoidance and recovery of such transfers.

NATURE OF THE CAUSES OF ACTION AGAINST THE DEFENDANTS

152. At all times relevant hereto, BLMIS was insolvent in that: (i) its liabilities exceeded the value of its assets by millions, and at times, billions of dollars; (ii) it could not meet its obligations as they came due; and/or (iii) at the time of the transfers to or for the benefit of the Defendants described herein, BLMIS was left with insufficient capital.

153. This adversary proceeding is being brought to avoid obligations and to avoid and recover transfers made to or for the benefit of the Defendants, and to recover money by which the Madoff Brothers have been unjustly enriched, so that this customer property can be equitably distributed among the customers of BLMIS in accordance with the provisions of SIPA.

154. The Trustee also seeks an accounting of all monies received by the Madoff Brothers during their employment at BLMIS, and a constructive trust imposed as a result of the past unjust enrichment of—and to prevent any further unjust enrichment by—the Madoff Brothers on all assets they acquired directly or indirectly from BLMIS. The Trustee

specifically looks to place many of the properties described herein, which were purchased for the Defendants with BLMIS funds, in a constructive trust, to prevent their transfer, sale, or other dissipation during the pendency of this adversary proceeding. The accounting and constructive trust are necessary in this case in light of the insider relationship, size of the Ponzi scheme, and the amount of money improperly transferred to the Defendants to finance their personal lives and personal investments.

155. The Defendants knew or willfully blinded themselves to the fact that they were not entitled to these excessive distributions of “free” company money. The Madoff Brothers were intimately involved with the “family business,” holding senior managerial positions for many years, and were the sons of the mastermind of the Ponzi scheme.

COUNT ONE
PREFERENTIAL TRANSFER - 11 U.S.C. §§ 101(31), 101(54), 105(a), 502(d), 547(b), 550, AND 551

156. The Trustee incorporates by reference the allegations contained in the previous paragraphs of this Third Amended Complaint as if fully rewritten herein.

157. At the time of each of the Madoff Brothers’ Preference Period Transfers, the Madoff Brothers were each “creditors” of BLMIS within the meaning of section 101(10) of the Bankruptcy Code and pursuant to 15 U.S.C. § 78fff-2(c)(3).

158. At the time of each of the Madoff Brothers’ Preference Period Transfers, the Madoff Brothers were each “insiders” of BLMIS within the meaning of section 101(31) of the Bankruptcy Code.

159. Each of the Madoff Brothers’ Preference Period Transfers constitutes a transfer of an interest of BLMIS in property within the meaning of section 101(54) of the Bankruptcy Code and pursuant to 15 U.S.C. § 78fff-2(c)(3).

160. Each of the Madoff Brothers' Preference Period Transfers was to, or for the benefit of, a Madoff Brother.

161. Each of the Madoff Brothers' Preference Period Transfers was made for or on account of an antecedent debt owed by BLMIS to the Madoff Brothers before such transfer was made.

162. Each of the Madoff Brothers' Preference Period Transfers was made while BLMIS was insolvent.

163. Each of the Madoff Brothers' Preference Period Transfers was made during the preference period under section 547(b)(4) of the Bankruptcy Code.

164. Each of the Madoff Brothers' Preference Period Transfers enabled the Madoff Brothers to receive more than they would receive if: (i) this case was a case under chapter 7 of the Bankruptcy Code; (ii) the Madoff Brothers' Preference Period Transfers had not been made; and (iii) each Madoff Brother received payment of such debt to the extent provided by the provisions of the Bankruptcy Code.

165. Each of the Madoff Brothers' Preference Period Transfers constitutes a preferential transfer avoidable by the Trustee pursuant to section 547(b) of the Bankruptcy Code and recoverable from the applicable Madoff Brother pursuant to section 550(a).

166. As a result of the foregoing, the Trustee is entitled to a judgment pursuant to sections 101(31), 101(54), 105(a), 502(d), 547(b), 550, and 551 of the Bankruptcy Code and 15 U.S.C. § 78fff-2(c)(3): (i) avoiding and preserving the Madoff Brothers' Preference Period Transfers; (ii) directing that the Madoff Brothers' Preference Period Transfers be set aside; (iii) recovering the Madoff Brothers' Preference Period Transfers, or the value thereof, for the benefit of the BLMIS estate; (iv) directing the Madoff Brothers, to the extent allowable by

law, to disgorge to the Trustee all profits, including compensation or remuneration received by the Madoff Brothers related to or arising from or concerning the Madoff Brothers' Preference Period Transfers from BLMIS to the Madoff Brothers; (v) disallowing any claim that the Madoff Brothers may have against the Debtors until such time as the Madoff Brothers' Preference Period Transfers are repaid to the Trustee; (vi) awarding attorneys' fees and costs from the Madoff Brothers; and (vii) awarding any other relief the Court deems just and appropriate.

COUNT TWO
**FRAUDULENT TRANSFERS AND OBLIGATIONS - 11 U.S.C. §§ 105(a), 502(d),
548(a)(1)(A), 550(a), AND 551**

167. The Trustee incorporates by reference the allegations contained in the previous paragraphs of this Third Amended Complaint as if fully rewritten herein.

168. The Madoff Brothers' Two-Year Transfers were made and the Obligations were incurred on or within two-years before the Filing Date.

169. The Madoff Brothers' Two-Year Transfers and the Obligations were made and incurred by BLMIS with the actual intent to hinder, delay, and defraud some or all of BLMIS's then-existing or future creditors.

170. The Madoff Brothers' Two-Year Transfers constitute fraudulent transfers avoidable by the Trustee pursuant to section 548(a)(1)(A) of the Bankruptcy Code and recoverable from the Madoff Brothers pursuant to section 550(a) of the Bankruptcy Code and 15 U.S.C. § 78fff-2(c)(3).

171. The Two-Year Transfers and Obligations are avoidable by the Trustee pursuant to section 548(a)(1)(A) of the Bankruptcy Code and applicable provisions of SIPA including sections 78fff(b) and 78fff-1(b).

172. As a result of the foregoing, pursuant to sections 105(a), 502(d), 548(a)(1)(A), 550(a), and 551 of the Bankruptcy Code and 15 U.S.C. §§ 78fff(b), 78fff-1(b), and 78fff-2(c)(3), the Trustee is entitled to a judgment: (i) avoiding and preserving the Madoff Brothers' Two-Year Transfers; (ii) avoiding the Obligations; (iii) directing that the Madoff Brothers' Two-Year Transfers and the Obligations be set aside; (iv) recovering the Madoff Brothers' Two-Year Transfers, or the value thereof, from the Madoff Brothers for the benefit of the BLMIS estate; (v) directing the Madoff Brothers, to the extent allowable by law, to disgorge to the Trustee all profits, including any and all compensation or remuneration received by the Madoff Brothers related to or arising from or concerning the Madoff Brothers' Two-Year Transfers from BLMIS to the Madoff Brothers; (vi) disallowing any claim that the Madoff Brothers may have against the Debtors until such time as the Madoff Brothers' Two-Year Transfers are repaid to the Trustee; (vii) awarding attorneys' fees and costs from the Madoff Brothers; and (viii) awarding any other relief the Court deems just and appropriate.

COUNT THREE
**FRAUDULENT TRANSFERS AND OBLIGATIONS - 11 U.S.C. §§ 105(a), 502(d),
548(a)(1)(B), 550(a), AND 551**

173. The Trustee incorporates by reference the allegations contained in the previous paragraphs of this Third Amended Complaint as if fully rewritten herein.

174. The Madoff Brothers' Two-Year Transfers were made and the Obligations were incurred on or within two years before the Filing Date.

175. BLMIS received less than a reasonably equivalent value in exchange for each of the Madoff Brothers' Two-Year Transfers and the Obligations.

176. At the time of each of the Madoff Brothers' Two-Year Transfers and the Obligations, BLMIS was insolvent, or became insolvent, as a result of the Madoff Brothers' Two-Year Transfers in question.

177. At the time of each of the Madoff Brothers' Two-Year Transfers and at all times relevant to the Obligations, BLMIS was engaged in a business or a transaction, or was about to engage in business or a transaction, for which any property remaining with BLMIS was an unreasonably small capital.

178. At the time of each of the Madoff Brothers' Two-Year Transfers, and at all times relevant to the Obligations, BLMIS intended to incur, or believed that it would incur, debts that would be beyond BLMIS's ability to pay as such debts matured.

179. Those Madoff Brothers' Two-Year Transfers identified on Exhibits C and F hereto as "Compensation" paid to, or for the benefit of, the Madoff Brothers, were not made by BLMIS in the ordinary course of business.

180. The Madoff Brothers' Two-Year Transfers constitute fraudulent transfers avoidable by the Trustee pursuant to section 548(a)(1)(B) of the Bankruptcy Code and recoverable from the Madoff Brothers pursuant to section 550(a) of the Bankruptcy Code and 15 U.S.C. § 78fff-2(c)(3).

181. The Two-Year Transfers and Obligations are avoidable by the Trustee pursuant to section 548(a)(1)(B) of the Bankruptcy Code and applicable provisions of SIPA including sections 78fff(b) and 78fff-1(b).

182. As a result of the foregoing, pursuant to sections 105(a), 502(d), 548(a)(1)(B), 550(a), and 551 of the Bankruptcy Code and 15 U.S.C. §§ 78fff(b), 78fff-1(b), and 78fff-2(c)(3), the Trustee is entitled to a judgment: (i) avoiding and preserving the Madoff Brothers' Two-Year Transfers; (ii) avoiding the Obligations; (iii) directing that the Madoff Brothers' Two-Year Transfers and Obligations be set aside; (iv) recovering the Madoff Brothers' Two-Year Transfers, or the value thereof, from the Madoff Brothers for the benefit of the BLMIS

estate; (v) directing the Madoff Brothers, to the extent allowable by law, to disgorge to the Trustee all profits, including any and all compensation or remuneration received by the Madoff Brothers related to or arising from, or concerning the Madoff Brothers' Two-Year Transfers from BLMIS to the Madoff Brothers; (vi) disallowing any claim that the Madoff Brothers may have against the Debtors until such time as the Madoff Brothers' Two-Year Transfers are repaid to the Trustee; (vii) awarding attorneys' fees and costs from the Madoff Brothers; and (viii) awarding any other relief the Court deems just and appropriate.

COUNT FOUR
FRAUDULENT TRANSFERS AND OBLIGATIONS - NEW YORK DEBTOR AND CREDITOR LAW §§ 276, 276-a, 278 AND/OR 279, AND 11 U.S.C. §§ 105(a), 502(d), 544(b), 550(a), AND 551

183. The Trustee incorporates by reference the allegations contained in the previous paragraphs of this Third Amended Complaint as if fully rewritten herein.

184. At all times relevant to the Madoff Brothers' Six-Year Transfers and Obligations, there have been one or more creditors who have held and still hold matured or unmatured unsecured claims against BLMIS that were and are allowable under section 502 of the Bankruptcy Code or that were and are not allowable only under section 502(e).

185. The Madoff Brothers' Six-Year Transfers and the Obligations were made and incurred by BLMIS with the actual intent to hinder, delay, or defraud the creditors of BLMIS. BLMIS made the Madoff Brothers' Six-Year Transfers and incurred the Obligations to, or for the benefit of, the Madoff Brothers in furtherance of a fraudulent investment scheme.

186. The Madoff Brothers received the Six-Year Transfers with the actual intent to hinder, delay, or defraud the creditors of BLMIS.

187. As a result of the foregoing, pursuant to sections 276, 276-a, 278 and/or 279 of the N.Y. Debt. & Cred. Law, sections 105(a), 502(d), 544(b), 550(a), and 551 of the

Bankruptcy Code, and 15 U.S.C. §§ 78fff(b), 78fff-1(b), and 78fff-2(c)(3), the Trustee is entitled to a judgment: (i) avoiding and preserving the Madoff Brothers' Six-Year Transfers; (ii) avoiding the Obligations; (iii) directing that the Madoff Brothers' Six-Year Transfers and the Obligations be set aside; (iv) recovering the Madoff Brothers' Six-Year Transfers, or the value thereof, from the Madoff Brothers for the benefit of the BLMIS estate; (v) directing the Madoff Brothers, to the extent allowable by law, to disgorge to the Trustee all profits, including any and all compensation or remuneration received by the Madoff Brothers related to or arising from, or concerning the Madoff Brothers' Six-Year Transfers from BLMIS to the Madoff Brothers; (vi) disallowing any claim that the Madoff Brothers may have against the Debtors until such time as the Madoff Brothers' Six-Year Transfers are repaid to the Trustee; (vii) awarding attorneys' fees and costs from the Madoff Brothers; and (viii) awarding any other relief the Court deems just and appropriate.

COUNT FIVE
**FRAUDULENT TRANSFERS AND OBLIGATIONS - NEW YORK DEBTOR AND
CREDITOR LAW §§ 273 AND 278 AND/OR 279, AND 11 U.S.C. §§ 105(a), 502(d), 544(b),
550, AND 551**

188. The Trustee incorporates by reference the allegations contained in the previous paragraphs of this Third Amended Complaint as if fully rewritten herein.

189. At all relevant times there was and is at least one or more creditors who held and hold matured or unmatured unsecured claims against BLMIS that were and are allowable under section 502 of the Bankruptcy Code or that were and are not allowable only under section 502(e).

190. BLMIS did not receive fair consideration for the Madoff Brothers' Six-Year Transfers or the Obligations.

191. BLMIS was insolvent at the time it made each of the Madoff Brothers' Six-Year Transfers and incurred the Obligations or, in the alternative, BLMIS became insolvent as a result of each of the Madoff Brothers' Six-Year Transfers and the Obligations.

192. As a result of the foregoing, the Trustee is entitled to a judgment pursuant to sections 273, 278, and/or 279 of the N.Y. Debt. & Cred. Law, sections 105(a), 502(d), 544(b), 550, and 551 of the Bankruptcy Code, and 15 U.S.C. §§ 78fff(b), 78fff-1(b), and 78fff-2(c)(3): (i) avoiding and preserving the Madoff Brothers' Six-Year Transfers; (ii) avoiding the Obligations; (iii) directing that the Madoff Brothers' Six-Year Transfers and the Obligations be set aside; (iv) recovering the Madoff Brothers' Six-Year Transfers, or the value thereof, from the Madoff Brothers for the benefit of the BLMIS estate; (v) directing the Madoff Brothers, to the extent allowable by law, to disgorge to the Trustee all profits, including any and all compensation or remuneration received by the Madoff Brothers related to or arising from, or concerning the Madoff Brothers' Six-Year Transfers from BLMIS to the Madoff Brothers; (vi) disallowing any claim that the Madoff Brothers may have against the Debtors until such time as the Madoff Brothers' Six-Year Transfers are repaid to the Trustee; (vii) awarding attorneys' fees and costs from the Madoff Brothers; and (viii) awarding any other relief the Court deems just and appropriate.

COUNT SIX
FRAUDULENT TRANSFERS - NEW YORK DEBTOR AND CREDITOR LAW §§ 274, 278 AND/OR 279, AND 11 U.S.C. §§ 105(a), 502(d), 544(b), 550, AND 551

193. The Trustee incorporates by reference the allegations contained in the previous paragraphs of this Third Amended Complaint as if fully rewritten herein.

194. At all relevant times there was and is at least one or more creditors who held and hold matured or unmatured unsecured claims against BLMIS that were and are allowable

under section 502 of the Bankruptcy Code or that were and are not allowable only under section 502(e).

195. BLMIS did not receive fair consideration for the Madoff Brothers' Six-Year Transfers.

196. At the time BLMIS made each of the Madoff Brothers' Six-Year Transfers, BLMIS was engaged or was about to engage in a business or transaction for which the property remaining in its hands after each of the Madoff Brothers' Six-Year Transfers was an unreasonably small capital.

197. As a result of the foregoing, pursuant to sections 274, 278, and/or 279 of the N.Y. Debt. & Cred. Law, sections 105(a), 502(d), 544(b), 550, and 551 of the Bankruptcy Code, and 15 U.S.C. § 78fff-2(c)(3), the Trustee is entitled to a judgment: (i) avoiding and preserving the Madoff Brothers' Six-Year Transfers; (ii) directing that the Madoff Brothers' Six-Year Transfers be set aside; (iii) recovering the Madoff Brothers' Six-Year Transfers, or the value thereof, from the Madoff Brothers for the benefit of the BLMIS estate; (iv) directing the Madoff Brothers, to the extent allowable by law, to disgorge to the Trustee all profits, including any and all compensation or remuneration received by the Madoff Brothers related to or arising from, or concerning the Madoff Brothers' Six-Year Transfers from BLMIS to the Madoff Brothers; (v) disallowing any claim that the Madoff Brothers may have against the Debtors until such time as the Madoff Brothers' Six-Year Transfers are repaid to the Trustee; (vi) awarding attorneys' fees and costs from the Madoff Brothers; and (vii) awarding any other relief the Court deems just and appropriate.

COUNT SEVEN
**FRAUDULENT TRANSFERS AND OBLIGATIONS - NEW YORK DEBTOR AND
CREDITOR LAW §§ 275, 278, AND/OR 279, AND 11 U.S.C. §§ 105(a), 502(d), 544(b),
550(a), AND 551**

198. The Trustee incorporates by reference the allegations contained in the previous paragraphs of this Third Amended Complaint as if fully rewritten herein.

199. At all relevant times there was and is at least one or more creditors who held and hold matured or unmatured unsecured claims against BLMIS that were and are allowable under section 502 of the Bankruptcy Code or that were and are not allowable only under section 502(e).

200. BLMIS did not receive fair consideration for the Madoff Brothers' Six-Year Transfers or the Obligations.

201. At the time BLMIS made each of the Madoff Brothers' Six-Year Transfers and incurred the Obligations, BLMIS had incurred, was intending to incur, or believed that it would incur debts beyond its ability to pay them as the debts matured.

202. As a result of the foregoing, pursuant to sections 275, 278, and/or 279 of the N.Y. Debt. & Cred. Law, sections 105(a), 502(d), 544(b), 550(a), and 551 of the Bankruptcy Code, and 15 U.S.C. §§ 78fff(b), 78fff-1(b), and 78fff-2(c)(3), the Trustee is entitled to a judgment: (i) avoiding and preserving the Madoff Brothers' Six-Year Transfers; (ii) avoiding the Obligations; (iii) directing that the Madoff Brothers' Six-Year Transfers and the Obligations be set aside; (iv) recovering the Madoff Brothers' Six-Year Transfers, or the value thereof, from the Madoff Brothers for the benefit of the BLMIS estate; (v) directing the Madoff Brothers, to the extent allowable by law, to disgorge to the Trustee all profits, including any and all compensation or remuneration received by the Madoff Brothers related to or arising from, or concerning the Madoff Brothers' Six-Year Transfers from BLMIS to the

Madoff Brothers; (vi) disallowing any claim that the Madoff Brothers may have against the Debtors until such time as the Madoff Brothers' Six-Year Transfers are repaid to the Trustee; (vii) awarding attorneys' fees and costs from the Madoff Brothers; and (viii) awarding any other relief the Court deems just and appropriate.

COUNT EIGHT

UNDISCOVERED FRAUDULENT TRANSFERS AND OBLIGATIONS - NEW YORK CIVIL PRACTICE LAW AND RULES 203(g) AND 213(8), NEW YORK DEBTOR AND CREDITOR LAW §§ 276, 276-a, 278, AND/OR 279, AND 11 U.S.C. §§ 105(a), 502(d), 544(b), 550(a), AND 551

203. The Trustee incorporates by reference the allegations contained in the previous paragraphs of this Third Amended Complaint as if fully rewritten herein.

204. At all times relevant to the Madoff Brothers' Total Initial Transfers and the Obligations, the fraudulent scheme perpetrated by BLMIS was not reasonably discoverable by at least one unsecured creditor of BLMIS, including defrauded IA customers.

205. At all times relevant to the Madoff Brothers' Total Initial Transfers and the Obligations, there have been one or more creditors holding matured or unmatured unsecured claims against BLMIS that are allowable under section 502 of the Bankruptcy Code or that are not allowable only under section 502(e) of the Bankruptcy Code. The Madoff Brothers' Total Initial Transfers constitute conveyances by BLMIS as defined under N.Y. Debt. & Cred. Law § 270.

206. The Madoff Brothers' Total Initial Transfers and the Obligations were made and incurred by BLMIS with the actual intent to hinder, delay, or defraud the creditors of BLMIS. BLMIS made the Madoff Brothers' Total Initial Transfers and incurred the Obligations to or for the benefit of the Madoff Brothers in furtherance of a fraudulent investment scheme.

207. The Madoff Brothers received the Madoff Brothers' Total Initial Transfers with the actual intent to hinder, delay, or defraud the creditors of BLMIS.

208. As a result of the foregoing, pursuant to NY CPLR 203(g) and 213(8), sections 276, 276-a, 278, and/or 279 of the N.Y. Debt. & Cred. Law, sections 105(a), 502(d), 544(b), 550(a), and 551 of the Bankruptcy Code, and 15 U.S.C. §§ 78fff(b), 78fff-1(b), and 78fff-2(c)(3), the Trustee is entitled to a judgment: (i) avoiding and preserving the Madoff Brothers' Total Initial Transfers; (ii) avoiding the Obligations; (iii) directing that the Madoff Brothers' Total Initial Transfers and the Obligations be set aside; (iv) recovering the Total Initial Transfers, or the value thereof, from the Madoff Brothers for the benefit of the BLMIS estate; (v) directing the Madoff Brothers, to the extent allowable by law, to disgorge to the Trustee all profits, including any and all compensation or remuneration received by the Madoff Brothers related to or arising from, or concerning the Madoff Brothers' Total Initial Transfers from BLMIS to the Madoff Brothers; (vi) disallowing any claim that the Madoff Brothers may have against the Debtors until such time as the Madoff Brothers' Total Initial Transfers are repaid to the Trustee; (vii) awarding attorneys' fees and costs from the Madoff Brothers; and (viii) awarding any other relief the Court deems just and appropriate.

COUNT NINE

RECOVERY OF SUBSEQUENT TRANSFERS - NEW YORK DEBTOR AND CREDITOR LAW §§ 273-279, AND 11 U.S.C. §§ 105(a), 544, 547, 548, 550(a), AND 551

209. The Trustee incorporates by reference the allegations contained in the previous paragraphs of this Third Amended Complaint as if fully rewritten herein.

210. The Trustee has filed this lawsuit against Mark Madoff to avoid and recover initial transfers to him pursuant to sections 544(b), 547, 548, 550, and 551 of the Bankruptcy Code, sections 273-279 of the DCL, and 15 U.S.C. § 78fff-2(c)(3) and such transfers are avoidable.

211. The Subsequent Transfers were made directly or indirectly to or for the benefit of Defendant Stephanie Mack and constitute interests of undetermined value in property and which are recoverable pursuant to section 550 of the Bankruptcy Code.

212. Defendant Stephanie Mack was an immediate or mediate transferee of the initial transfers to Mark Madoff.

213. As a result of the foregoing, pursuant to NY CPLR 203(g) and 213(8), sections 273-279 of the N.Y. Debt. & Cred. Law, sections 105(a), 548, 550 and 551 of the Bankruptcy Code, and 15 U.S.C. § 78fff-2(c)(3), the Trustee is entitled to a judgment against Defendant Stephanie Mack: (i) recovering the Subsequent Transfers, or the value thereof, from Defendant Stephanie Mack for the benefit of the BLMIS estate; (ii) directing Defendant Stephanie Mack, to the extent allowable by law, to disgorge to the Trustee all profits, including any and all compensation or remuneration received by Defendant Stephanie Mack related to or arising from, or concerning the Subsequent Transfers; and (iii) awarding any other relief the Court deems just and appropriate.

COUNT TEN
OBJECTION TO AND DISALLOWANCE OF THE MADOFF BROTHERS' CLAIMS

214. The Trustee incorporates by reference the allegations contained in the previous paragraphs of this Third Amended Complaint as if fully rewritten herein.

215. As of the date hereof, the Trustee is aware of claims filed by Madoff Brothers Mark Madoff and Andrew Madoff, (collectively, the "Madoff Brothers' Claims"). The Madoff Brothers' Claims include claims relating to alleged securities positions, deferred compensation, salary and bonus payments, investments in MSIL, customer claims for investment accounts, claims in connection with the assertion of avoidance or similar causes of action against them, and claims based upon avoidance of transfers to them.

216. The Madoff Brothers were not innocent investors at the time they invested with BLMIS. As a result of their inequitable conduct, they are not entitled to restitution of their principal investment.

217. The Madoff Brothers acted with actual knowledge of fraudulent activity at BLMIS at the time they invested with BLMIS. The Madoff Brothers' conduct, at the time they invested with BLMIS, enabled Madoff to perpetuate the fraud at BLMIS.

218. Alternatively, the Madoff Brothers acted with explicit awareness of numerous and serious indications of fraudulent activity at BLMIS, as described in this Third Amended Complaint.

219. By the Madoff Brothers' conduct, they could not honestly assert that they justifiably relied on the fact that BLMIS was a legitimate business. Thus, the Madoff Brothers do not have claims for restitution or any other valid claims against the BLMIS estate.

220. As a result of the Madoff Brothers' conduct, as described above, pursuant to section 502(a) of the Bankruptcy Code, the Trustee objects to any and all claims of the Madoff Brothers against the BLMIS estate, which should be disallowed and not entitled to equitable distribution from the estate pursuant to section 502(b)(1) of the Bankruptcy Code.

COUNT ELEVEN
EQUITABLE DISALLOWANCE OF CLAIMS

221. The Trustee incorporates by reference the allegations contained in the previous paragraphs of this Third Amended Complaint as if fully rewritten herein.

222. The Madoff Brothers engaged in and benefited from inequitable conduct and with knowledge of fraudulent activity at BLMIS, including the conduct described in this Third Amended Complaint. By the Madoff Brothers' conduct, they have taken unconscionable advantage of, resulting in injury to, innocent customers and other creditors of the estate.

223. Based upon the Madoff Brothers' failure to deal fairly and in good faith, as described above, all customers and other creditors of BLMIS have been injured, including by being (a) misled as to the true financial condition of the debtor; (b) induced to invest with BLMIS without knowledge of BLMIS's financial condition; and (c) hindered and delayed in recovering the full amounts due to them. The Madoff Brothers' conduct further enabled Madoff to continue the Ponzi scheme.

224. The Madoff Brothers' conduct was so egregious that they should not be allowed to share in any equitable distribution made by the Trustee to innocent customers holding allowed claims against BLMIS and/or Madoff.

225. The Court should exercise the full extent of its equitable powers to ensure that claims, payments, or benefits, of whatever kind or nature, which are asserted or sought by the Madoff Brothers against the estate, are disallowed.

226. Equitable disallowance is consistent with the provisions and purposes of the Bankruptcy Code.

COUNT TWELVE
EQUITABLE SUBORDINATION OF CUSTOMER CLAIMS

227. The Trustee incorporates by reference the allegations contained in the previous paragraphs of this Third Amended Complaint as if fully rewritten herein.

228. The Madoff Brothers engaged in inequitable conduct, including the conduct described in this Third Amended Complaint, and benefitted by the withdrawal of \$167,837,299 prior to the Filing Date. The Madoff Brothers each had relationships of trust and confidence with Madoff and BLMIS, held senior managerial, compliance, and/or supervisory responsibilities at BLMIS during the relevant time period, and consequently had

fiduciary duties to act in the best interest of—and for the benefit of—BLMIS and its customers.

229. Based on the Madoff Brothers' inequitable conduct, BLMIS's customers have been misled as to the true financial condition of BLMIS and have been induced to invest without knowledge of the actual facts regarding BLMIS's financial condition, and/or customers and creditors are less likely to recover the full amounts due to them.

230. The Madoff Brothers' conduct enabled Madoff to prolong the Ponzi scheme that resulted in injury to all customers and creditors of the BLMIS estate and conferred an unfair advantage on the Madoff Brothers.

231. The Court should exercise the full extent of its equitable powers to ensure that claims, payments, or benefits, of whatever kind or nature, which are asserted or sought by the Madoff Brothers, directly or indirectly against the estate, and only to the extent such claims are allowed, are subordinated for distribution purposes pursuant to sections 510(c) and 105(a) of the Bankruptcy Code to the allowed claims of all other customers and creditors of BLMIS.

232. Equitable subordination, as requested herein, is consistent with the provisions and purposes of the Bankruptcy Code.

COUNT THIRTEEN
BREACH OF FIDUCIARY DUTY

233. The Trustee incorporates by reference the allegations contained in the previous paragraphs of this Third Amended Complaint as if fully rewritten herein.

234. This claim for breach of fiduciary duty is asserted against both of the Madoff Brothers, who had relationships of trust and confidence with Madoff and BLMIS, held senior managerial, compliance, and supervisory positions at BLMIS during the relevant time period,

and consequently had fiduciary duties to act in the best interest of—and for the benefit of—BLMIS and its customers.

235. The fiduciary duties owed by each of the Madoff Brothers included duties of care and loyalty to BLMIS and its customers, and duties to act in good faith. They also had duties not to waste or divert the assets of BLMIS, duties not to exploit corporate opportunities for their own benefit, and duties not to act in furtherance of their own personal interests at the expense of BLMIS and its customers.

236. Each of the Madoff Brothers acted in breach of the fiduciary duties owed to BLMIS and its customers by, among other things, their misuse of corporate assets, self-dealing, mismanagement, corporate waste, failure to prepare, implement and carry out, or deliberately disregarding, supervisory responsibilities and policies, and breaches of the Madoff Brothers' duties to act with care, loyalty, and good faith and fair dealing as described above.

237. As a direct and proximate result of the conduct by the Madoff Brothers, BLMIS and its customers were damaged.

238. By reason of the above, the Trustee is entitled to an award of compensatory damages and disgorgement of all sums received by each Madoff Brothers from BLMIS in an amount to be determined at trial.

239. The Madoff Brothers' conscious, willful, wanton, and malicious conduct also entitles the Trustee to an award of punitive damages in an amount to be determined at trial.

COUNT FOURTEEN
UNJUST ENRICHMENT

240. The Trustee incorporates by reference the allegations contained in the previous paragraphs of this Third Amended Complaint as if fully rewritten herein.

241. The Madoff Brothers each benefited directly or indirectly from the receipt of money from BLMIS in the form of loans, payments, and other transfers which was the property of BLMIS and its customers, and for which the Madoff Brothers did not adequately compensate BLMIS or provide value.

242. This enrichment was at the expense of BLMIS and, ultimately, at the expense of BLMIS's other customers.

243. Equity and good conscience require full restitution of the monies received by the Madoff Brothers from BLMIS.

244. In addition, the Madoff Brothers' conscious, intentional, and willful tortious conduct entitles BLMIS to recapture profits derived by the Madoff Brothers utilizing monies they received from BLMIS including, by way of example and without limitation, profits earned from real estate interests they purchased with BLMIS's customer funds.

245. By reason of the above, the Trustee, on behalf of BLMIS and its creditors, is entitled to an award of compensatory damages in an amount to be determined at trial.

COUNT FIFTEEN
NEGLIGENCE

246. The Trustee incorporates by reference the allegations contained in the previous paragraphs of this Third Amended Complaint as if fully rewritten herein.

247. Both of the Madoff Brothers had a duty to protect BLMIS and its customers against unreasonable risks and actions, including without limitation the loss of its customers' assets due to fraud, the self-dealing of management and senior executives, the failure to prepare, implement, and carry out supervisory responsibilities and policies, and other tortious conduct by or unjust enrichment of the Madoff Brothers, Madoff, and others.

248. Both of the Madoff Brothers breached these duties by failing to conform to the appropriate standards of care commensurate with their senior positions at BLMIS.

249. As a direct and proximate cause of the actions of the Madoff Brothers, BLMIS has been damaged by the Madoff Brothers' negligence and failure to adhere to standards of appropriate care.

250. By reason of the above, the Trustee, on behalf of BLMIS and its creditors, is entitled to an award of compensatory damages in an amount to be determined at trial.

251. The Madoff Brothers' conscious, willful, wanton, and malicious conduct entitles the Trustee, on behalf of BLMIS and its creditors, to an award of punitive damages in an amount to be determined at trial.

COUNT SIXTEEN
CONSTRUCTIVE TRUST

252. The Trustee incorporates by reference the allegations contained in the previous paragraphs of this Third Amended Complaint as if fully rewritten herein.

253. As set forth above, the assets of BLMIS have been wrongfully diverted as a result of fraudulent conveyances, fraudulent transfers, preferential transfers, breaches of fiduciary duties, and other wrongdoing of the Madoff Brothers for their own individual interests and enrichment.

254. The Trustee has no adequate remedy at law.

255. Because of the past unjust enrichment of the Madoff Brothers, the Trustee is entitled to the imposition of a constructive trust with respect to any transfer of funds, assets, or property from BLMIS as well as to any profits received by the Madoff Brothers in the past or on a going forward basis in connection with BLMIS.

256. In addition, upon information and belief, with the sums the Madoff Brothers unjustly received from BLMIS as a result of fraudulent conveyances, fraudulent transfers, preferential transfers, breaches of fiduciary duties, and other wrongdoing, the Madoff Brothers purchased, or satisfied the mortgages on, the following properties, mentioned previously in this Third Amended Complaint, which should be held in trust for the Trustee's use, benefit, and account: (i) 583 Broadway, Unit 4M, New York, NY 10012; (ii) 433 E. 74th St., Unit 5A, New York, NY 10021; (iii) 10 Gracie Square, Apt. 10G, New York, NY 10028; (iv) 21 Cherry Valley Road, Greenwich, CT 06870; (v) 51 Wanoma Way, Nantucket, MA 02554; and (vi) 57 Tomac Avenue, Old Greenwich, CT 06870. The Trustee is entitled to, and demands title, possession, use, and/or enjoyment of, the foregoing properties for the benefit of the estate of BLMIS.

257. Furthermore, Defendant Stephanie Mack's interests in the 51 Wanoma Way and 583 Broadway Properties should be held in trust for the Trustee's use, benefit, and account, as Defendant Stephanie Mack did not provide any value in return for the transfer of these interests to her.

COUNT SEVENTEEN
ACCOUNTING

258. The Trustee incorporates by reference the allegations contained in the previous paragraphs of this Third Amended Complaint as if fully rewritten herein.

259. As set forth above, the assets of BLMIS have been wrongfully diverted as a result of fraudulent conveyances, fraudulent transfers, preferential transfers, breaches of fiduciary duties, and other wrongdoing of the Madoff Brothers for their own individual interests and enrichment.

260. The Trustee has no adequate remedy at law.

261. To compensate BLMIS for the amount of monies the Madoff Brothers diverted from BLMIS for their own benefit, it is necessary for the Madoff Brothers to provide an accounting of any transfer of funds, assets, or property received from BLMIS, as well as to any profits in the past and on a going forward basis in connection with BLMIS. Complete information regarding the amount of such transfers misused by the Madoff Brothers for their own benefit is within their possession, custody, and control.

WHEREFORE, the Trustee respectfully requests that this Court enter judgment in favor of the Trustee and against the Defendants as follows:

(a) On the First Claim for Relief, pursuant to sections 101(31), 101(54), 105(a), 502(d), 547(b), 550, and 551 of the Bankruptcy Code and 15 U.S.C. § 78fff-2(c)(3): (i) avoiding and preserving the Madoff Brothers' Preference Period Transfers; (ii) directing that the Madoff Brothers' Preference Period Transfers be set aside; (iii) recovering the Madoff Brothers' Preference Period Transfers, or the value thereof, from the Madoff Brothers for the benefit of the BLMIS estate; (iv) directing the Madoff Brothers, to the extent allowable by law, to disgorge to the Trustee all profits, including any and all compensation and remuneration received by the Madoff Brothers related to or arising from, or concerning the Madoff Brothers' Preference Period Transfers from BLMIS to the Madoff Brothers; (v) disallowing any claim that the Madoff Brothers may have against the Debtors until such Madoff Brothers' Preference Period Transfers are repaid to the Trustee; (vi) awarding attorneys' fees and costs from the Madoff Brothers; and (vii) awarding any other relief the Court deems just and appropriate;

(b) On the Second Claim for Relief, pursuant to sections 105(a), 502(d), 548(a)(1)(A), 550(a), and 551 of the Bankruptcy Code and 15 U.S.C. §§ 78fff(b), 78fff-1(b), and 78fff-2(c)(3): (i) avoiding and preserving the Madoff Brothers' Two-Year Transfers; (ii)

avoiding the Obligations; (iii) directing that the Madoff Brothers' Two-Year Transfers and the Obligations be set aside; (iv) recovering the Madoff Brothers' Two-Year Transfers, or the value thereof, from the Madoff Brothers for the benefit of the BLMIS estate; (v) directing the Madoff Brothers, to the extent allowable by law, to disgorge to the Trustee all profits, including any and all compensation or remuneration received by the Madoff Brothers related to or arising from or concerning the Madoff Brothers' Two-Year Transfers from BLMIS to the Madoff Brothers; (vi) disallowing any claim that the Madoff Brothers may have against the Debtors until such time as the Madoff Brothers' Two-Year Transfers are repaid to the Trustee; (vii) awarding attorneys' fees and costs from the Madoff Brothers; and (viii) awarding any other relief the Court deems just and appropriate;

(c) On the Third Claim for Relief, pursuant to sections 105(a), 502(d), 548(a)(1)(B), 550(a), and 551 of the Bankruptcy Code and 15 U.S.C. §§ 78fff(b), 78fff-1(b), and 78fff-2(c)(3): (i) avoiding and preserving the Madoff Brothers' Two-Year Transfers; (ii) avoiding the Obligations; (iii) directing that the Madoff Brothers' Two-Year Transfers and the Obligations be set aside; (iv) recovering the Madoff Brothers' Two-Year Transfers, or the value thereof, from the Madoff Brothers for the benefit of the BLMIS estate; (v) directing the Madoff Brothers, to the extent allowable by law, to disgorge to the Trustee all profits, including any and all compensation or remuneration received by the Madoff Brothers related to or arising from, or concerning the Madoff Brothers' Two-Year Transfers from BLMIS to the Madoff Brothers; (vi) disallowing any claim that the Madoff Brothers may have against the Debtors until such time as the Madoff Brothers' Two-Year Transfers are repaid to the Trustee; (vii) awarding attorneys' fees and costs from the Madoff Brothers; and (viii) awarding any other relief the Court deems just and appropriate;

(d) On the Fourth Claim for Relief, pursuant to sections 276, 276-a, 278, and/or 279 of the N.Y. Debt. & Cred. Law, sections 105(a), 502(d), 544(b), 550(a), and 551 of the Bankruptcy Code, and 15 U.S.C. §§ 78fff(b), 78fff-1(b), and 78fff-2(c)(3): (i) avoiding and preserving the Madoff Brothers' Six-Year Transfers; (ii) avoiding the Obligations; (iii) directing that the Madoff Brothers' Six-Year Transfers and the Obligations be set aside; (iv) recovering the Madoff Brothers' Six-Year Transfers, or the value thereof, from the Madoff Brothers for the benefit of the BLMIS estate; (v) directing the Madoff Brothers, to the extent allowable by law, to disgorge to the Trustee all profits, including any and all compensation or remuneration received by the Madoff Brothers related to or arising from, or concerning the Madoff Brothers' Six-Year Transfers from BLMIS to the Madoff Brothers; (vi) disallowing any claim that the Madoff Brothers may have against the Debtors until such time as the Madoff Brothers' Six-Year Transfers are repaid to the Trustee; (vii) awarding attorneys' fees and costs from the Madoff Brothers; and (viii) awarding any other relief the Court deems just and appropriate;

(e) On the Fifth Claim for Relief, pursuant to sections 273, 278, and/or 279 of the N.Y. Debt. & Cred. Law, sections 105(a), 502(d), 544(b), 550, and 551 of the Bankruptcy Code, and 15 U.S.C. §§ 78fff(b), 78fff-1(b), and 78fff-2(c)(3): (i) avoiding and preserving the Madoff Brothers' Six-Year Transfers; (ii) avoiding the Obligations; (iii) directing that the Madoff Brothers' Six-Year Transfers and the Obligations be set aside; (iv) recovering the Madoff Brothers' Six-Year Transfers, or the value thereof, from the Madoff Brothers for the benefit of the BLMIS estate; (v) directing the Madoff Brothers, to the extent allowable by law, to disgorge to the Trustee all profits, including any and all compensation or remuneration received by the Madoff Brothers related to or arising from, or concerning the Madoff Brothers' Six-Year Transfers from BLMIS to the Madoff Brothers; (vi) disallowing any claim that the Madoff

Brothers may have against the Debtors until such time as the Madoff Brothers' Six-Year Transfers are repaid to the Trustee; (vii) awarding attorneys' fees and costs from the Madoff Brothers; and (viii) awarding any other relief the Court deems just and appropriate;

(f) On the Sixth Claim for Relief, pursuant to sections 274, 278, and/or 279 of the N.Y. Debt. & Cred. Law, sections 105(a), 502(d), 544(b), 550, 551, and 1107 of the Bankruptcy Code, and 15 U.S.C. § 78fff-2(c)(3): (i) avoiding and preserving the Madoff Brothers' Six-Year Fraudulent Transfers; (ii) directing the Madoff Brothers' Six-Year Transfers be set aside; (iii) recovering the Madoff Brothers' Six-Year Transfers, or the value thereof, from the Madoff Brothers for the benefit of the BLMIS estate; (iv) directing the Madoff Brothers, to the extent allowable by law, to disgorge to the Trustee all profits, including any and all compensation or remuneration received by the Madoff Brothers related to or arising from, or concerning the Madoff Brothers' Six-Year Transfers from BLMIS to the Madoff Brothers; (v) disallowing any claim that the Madoff Brothers may have against the Debtors until such time as the Madoff Brothers' Six-Year Transfers are repaid to the Trustee; (vi) awarding attorneys' fees and costs from the Madoff Brothers; and (vii) awarding any other relief the Court deems just and appropriate;

(g) On the Seventh Claim for Relief, pursuant to sections 275, 278, and/or 279 of the N.Y. Debt. & Cred. Law, sections 105(a), 502(d), 544(b), 550(a), and 551 of the Bankruptcy Code, and 15 U.S.C. §§ 78fff(b), 78fff-1(b), and 78fff-2(c)(3): (i) avoiding and preserving the Madoff Brothers' Six-Year Transfers; (ii) avoiding the Obligations; (iii) directing that the Madoff Brothers' Six-Year Transfers and the Obligations be set aside; (iv) recovering the Madoff Brothers' Six-Year Transfers, or the value thereof, from the Madoff Brothers for the benefit of the BLMIS estate; (v) directing the Madoff Brothers, to the extent allowable by law, to

disgorge to the Trustee all profits, including any and all compensation or remuneration received by the Madoff Brothers related to or arising from, or concerning the Madoff Brothers' Six-Year Transfers from BLMIS to the Madoff Brothers; (vi) disallowing any claim that the Madoff Brothers may have against the Debtors until such time as the Madoff Brothers' Six-Year Transfers are repaid to the Trustee; (vii) awarding attorneys' fees and costs from the Madoff Brothers; and (viii) awarding any other relief the Court deems just and appropriate;

(h) On the Eighth Claim for Relief, pursuant to N.Y.C.P.L.R. § 203(g) and 213(8), sections 276, 276-a, 278, and/or 279 of the N.Y. Debt. & Cred. Law, sections 105(a), 502(d), 544(b), 550(a), and 551 of the Bankruptcy Code, and 15 U.S.C. §§ 78fff(b), 78fff-1(b), and 78fff-2(c)(3): (i) avoiding and preserving the Madoff Brothers' Total Initial Transfers; (ii) avoiding the Obligations; (iii) directing that the Madoff Brothers' Total Initial Transfers and the Obligations be set aside; (iv) recovering the Madoff Brothers' Total Initial Transfers, or the value thereof, from the Madoff Brothers for the benefit of the BLMIS estate; (v) directing the Madoff Brothers, to the extent allowable by law, to disgorge to the Trustee all profits, including any and all compensation or remuneration, received by the Madoff Brothers related to or arising from, or concerning the Madoff Brothers' Total Initial Transfers from BLMIS to the Madoff Brothers; (vi) disallowing any claim that the Madoff Brothers may have against the Debtors until such time as the Madoff Brothers' Total Initial Transfers are repaid to the Trustee; (vii) awarding attorneys' fees and costs from the Madoff Brothers; and (viii) awarding any other relief the Court deems just and appropriate;

(i) On the Ninth Claim for Relief, pursuant to N.Y.C.P.L.R. 203(g) and 213(8), sections 273-279 of the N.Y. Debt. & Cred. Law, sections 105(a), 544(b), 547, 548, 550(a), and 551 of the Bankruptcy Code, and 15 U.S.C. § 78fff-2(c)(3): (i) recovering the

Subsequent Transfers, or the value thereof, from Defendant Stephanie Mack for the benefit of the BLMIS estate; (ii) directing Defendant Stephanie Mack, to the extent allowable by law, to disgorge to the Trustee all profits, including any and all compensation or remuneration received by Defendant Stephanie Mack related to or arising from, or concerning the Subsequent Transfers; and (iii) awarding any other relief the Court deems just and appropriate;

(j) On the Tenth Claim for Relief, sustaining the Trustee's objections to the Madoff Brothers' Claims pursuant to section 502(a) of the Bankruptcy Code, and disallowing such claims pursuant to section 502(b)(1) of the Bankruptcy Code;

(k) On the Eleventh Claim for Relief, pursuant to this Court's equitable power, disallowing each and every claim that Defendants assert against the Debtor's estate, all of which claims have no lawful existence under principles of restitution and other applicable state law;

(l) On the Twelfth Claim for Relief, subordinating the Madoff Brothers' Claims for purposes of distribution to all allowed claims of BLMIS's customers and creditors due to the Madoff Brothers' inequitable conduct pursuant to sections 105(a) and 510(c) of the Bankruptcy Code, such that no claim of the Madoff Brothers is paid ahead of the allowed claim of any customer or creditor of BLMIS;

(m) On the Thirteenth Claim for Relief against each of the Madoff Brothers for breaches of fiduciary duty, for compensatory damages, disgorgement of all sums received by each Madoff Brothers from BLMIS for the period in which they were in breach of their fiduciary duties, and punitive damages in an amount to be determined at trial;

(n) On the Fourteenth Claim for Relief against each of the Madoff Brothers for unjust enrichment, for compensatory damages in an amount to be determined at trial;

(o) On the Fifteenth Claim for Relief against each of the Madoff Brothers for negligence, for compensatory and punitive damages in an amount to be determined at trial;

(p) On the Sixteenth Claim for Relief against the Madoff Brothers for the imposition of a constructive trust upon any transfer of funds, assets, or property received from BLMIS, including, without limitation, against those properties the Madoff Brothers purchased, or for which the mortgages were paid, with fraudulently diverted funds located at: (i) 583 Broadway, Unit 4M, New York, NY 10012; (ii) 433 E. 74th St., Unit 5A, New York, NY 10021; (iii) 10 Gracie Square, Apt. 10G, New York, NY 10028; (iv) 21 Cherry Valley Road, Greenwich, CT 06870; (v) 51 Wanoma Way, Nantucket, MA 02554; and (vi) 57 Tomac Avenue, Old Greenwich, CT 06870, including Stephanie's Mack's interests in the 51 Wanoma Way and 583 Broadway Properties, as well as to any profits in the past and on a going forward basis received by the Madoff Brothers in connection with BLMIS, in favor of the Trustee for the benefit of the BLMIS estate;

(q) On the Seventeenth Claim for Relief against both of the Madoff Brothers for an accounting of any transfer of funds, assets, or property received from BLMIS as well as to any profits in the past or on a going forward basis received by the Madoff Brothers in connection with BLMIS;

(r) On the First through Ninth Claims for Relief, to the extent allowable by law, directing the Madoff Brothers to disgorge to the Trustee all profits, including any and all compensation and remuneration received by the Madoff Brothers related to, arising out of, or

concerning the Initial Transfers, the Subsequent Transfers and the Madoff Brothers' BLMIS Accounts;

(s) On all Claims for Relief, pursuant to federal common law and NY CPLR 5001 and 5004, as applicable, awarding the Trustee prejudgment interest from the date on which the Initial Transfers were received;

(t) On all Claims for Relief, establishing a constructive trust over all Transfers and their proceeds, product and offspring in favor of the Trustee for the benefit of the estate; and

(u) On all Claims for Relief, awarding the Trustee's attorneys' fees, all applicable interest, costs, and disbursements incurred in this adversary proceeding; and

(v) Granting the Trustee such other, further, and different relief as the Court deems just, proper, and equitable.

Date: New York, New York
July 15, 2014

BAKER & HOSTETLER LLP

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EXHIBIT A

SUMMARY OF TRANSFERS TO OR FOR THE BENEFIT OF DEFENDANTS

	<u>Total</u> <u>Transfer Amount</u>	<u>1-Year</u> <u>Preferential</u> <u>Transfers</u>	<u>2-Year</u> <u>Transfers</u>	<u>6-Year</u> <u>Transfers</u>	<u>Prior to</u> <u>6-Year</u> <u>Transfers</u>
<u>Initial Transfers</u>					
Mark Madoff	80,631,109	1,590,916	18,089,927	45,276,563	35,354,546
Andrew Madoff	72,662,007	2,238,296	17,213,277	43,373,282	29,288,725
	\$ 153,293,116	\$ 3,829,212	\$ 35,303,204	\$ 88,649,846	\$ 64,643,271

Subsequent Transfers

Stephanie Mack	Undetermined Value ^[1]	Undetermined Value ^[1]
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NOTE: The details of the above-referenced transfers are set forth in Exhibits C, D, and F.

^[1] Stephanie Mack received subsequent transfers of interests of undetermined value in the following properties: 459 West Broadway, New York, NY 10012; 583 Broadway, New York, NY 10012; and 51 Wanoma Way, Nantucket, MA 02554.

EXHIBIT B

TRANSFERS TO OR FOR THE BENEFIT OF MARK MADOFF - SUMMARY

<u>Transfer Category</u>	<u>Total Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
IA Account Withdrawals	18,729,227	-	-	7,380,931	11,348,297
Salary	8,687,210	1,060,000	1,780,200	4,680,390	4,006,820
Bonus / Other Earnings	24,867,750	326,350	9,346,350	17,221,350	7,646,400
Other Transfers	28,346,922	204,566	6,963,377	15,993,893	12,353,029
	\$ 80,631,109	\$ 1,590,916	\$ 18,089,927	\$ 45,276,563	\$ 35,354,546

EXHIBIT C

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BLMIS ACCOUNT NO. 1M0008 - MARK MADOFF AND SUSAN MADOFF J/T WROS

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8	Column 9	Column 10	Column 11	Column 12	Column 13	Column 14
		<u>Transaction Amount Reported in Customer Statement</u>	<u>Cash Deposits</u>	<u>Cash Withdrawals</u>	<u>Transfers of Principal In</u>	<u>Transfers of Principal Out</u>	<u>Balance of Principal</u>	<u>2-Year Fraudulent Transfers - Principal</u>	<u>2-Year Fraudulent Transfers - Fictitious Profits</u>	<u>6-Year Fraudulent Transfers - Principal</u>	<u>6-Year Fraudulent Transfers - Fictitious Profits</u>	<u>Full History Fraudulent Transfers - Principal</u>	<u>Full History Fraudulent Transfers - Fictitious Profits</u>
1/29/1991	CHECK	20,000	20,000	-	-	-	20,000	-	-	-	-	-	-
5/30/1991	CXL CHECK A/O 01/29/91	(20,000)	(20,000)	-	-	-	-	-	-	-	-	-	-
Total:			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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BLMIS ACCOUNTING IM009 - MARK MADOFF

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8	Column 9	Column 10	Column 11	Column 12	Column 13	Column 14
Date	Transaction Description	Transaction Amount Reported in Customer Statement	Cash Deposits	Cash Withdrawals	Transfers of Principal In	Transfers of Principal Out	Balance of Principal	2-Year Fraudulent Transfers - Principal	2-Year Fraudulent Transfers - Profits	6-Year Fraudulent Transfers - Principal	6-Year Fraudulent Transfers - Profits	Full History Fraudulent Transfers - Principal	Full History Fraudulent Transfers - Profits
5/20/1986	CHECK	30,000	30,000	-	-	-	30,000	-	-	-	-	-	-
5/20/1986	CHECK A/O 05/20/86	(2,000)	-	(2,000)	-	-	28,000	-	-	-	-	(2,000)	-
6/24/1986	CHECK	(1,000)	-	(1,000)	-	-	27,000	-	-	-	-	(1,000)	-
6/25/1986	CHECK	(1,500)	-	(1,500)	-	-	25,500	-	-	-	-	(1,500)	-
8/22/1986	CHECK A/O 05/20/86	7,000	7,000	-	-	-	32,500	-	-	-	-	-	-
11/13/1986	CHECK	(2,000)	-	(2,000)	-	-	30,500	-	-	-	-	(2,000)	-
11/13/1986	CHECK	(1,000)	-	(1,000)	-	-	29,500	-	-	-	-	(1,000)	-
12/8/1986	CHECK	(1,000)	-	(1,000)	-	-	28,500	-	-	-	-	(1,000)	-
1/29/1987	CHECK	(1,000)	-	(1,000)	-	-	27,500	-	-	-	-	(1,000)	-
5/19/1987	CHECK	(2,000)	-	(2,000)	-	-	25,500	-	-	-	-	(2,000)	-
8/5/1987	CHECK	(1,000)	-	(1,000)	-	-	24,500	-	-	-	-	(1,000)	-
11/19/1987	CHECK	(2,000)	-	(2,000)	-	-	22,500	-	-	-	-	(2,000)	-
2/24/1988	CHECK	(2,000)	-	(2,000)	-	-	20,500	-	-	-	-	(2,000)	-
6/2/1988	CHECK	(2,000)	-	(2,000)	-	-	18,500	-	-	-	-	(2,000)	-
6/2/1988	CHECK	(2,000)	-	(2,000)	-	-	16,500	-	-	-	-	(2,000)	-
9/26/1988	CHECK	(5,000)	-	(5,000)	-	-	11,500	-	-	-	-	(5,000)	-
12/19/1988	CHECK	(1,500)	-	(1,500)	-	-	10,000	-	-	-	-	(1,500)	-
3/2/1989	CHECK	(5,000)	-	(5,000)	-	-	5,000	-	-	-	-	(5,000)	-
4/28/1989	CHECK	20,124	20,124	-	-	-	25,124	-	-	-	-	-	-
4/28/1989	CHECK	286	286	-	-	-	25,410	-	-	-	-	-	-
4/28/1989	CHECK	38,700	38,700	-	-	-	64,110	-	-	-	-	-	-
4/28/1989	CHECK	55	55	-	-	-	64,165	-	-	-	-	-	-
4/28/1989	CHECK	185,500	185,500	-	-	-	249,665	-	-	-	-	-	-
5/16/1989	CHECK	(2,604)	-	(2,604)	-	-	247,061	-	-	-	-	(2,604)	-
5/31/1989	CHECK	(5,000)	-	(5,000)	-	-	242,061	-	-	-	-	(5,000)	-
8/15/1989	CHECK	20,000	20,000	-	-	-	262,061	-	-	-	-	-	-
9/6/1989	CHECK	(3,000)	-	(3,000)	-	-	259,061	-	-	-	-	(3,000)	-
9/6/1989	CHECK	(3,000)	-	(3,000)	-	-	256,061	-	-	-	-	(3,000)	-
11/14/1989	CHECK	(5,000)	-	(5,000)	-	-	251,061	-	-	-	-	(5,000)	-
12/21/1989	CHECK	(5,000)	-	(5,000)	-	-	246,061	-	-	-	-	(5,000)	-
1/31/1990	CHECK	(3,000)	-	(3,000)	-	-	243,061	-	-	-	-	(3,000)	-
2/14/1990	CHECK	(5,000)	-	(5,000)	-	-	238,061	-	-	-	-	(5,000)	-
4/26/1990	CHECK	10,000	10,000	-	-	-	248,061	-	-	-	-	-	-
7/26/1990	PMT TRANSACTION	(5,000)	-	(5,000)	-	-	243,061	-	-	-	-	(5,000)	-
12/3/1990	CHECK	(15,000)	-	(15,000)	-	-	228,061	-	-	-	-	(15,000)	-
1/29/1991	CHECK	20,000	20,000	-	-	-	248,061	-	-	-	-	-	-
2/7/1991	CHECK	(5,000)	-	(5,000)	-	-	243,061	-	-	-	-	(5,000)	-
2/26/1991	CHECK	(567,000)	-	(567,000)	-	-	(323,939)	-	-	-	-	(272,789)	(294,211)
2/27/1991	CHECK	(10,000)	-	(10,000)	-	-	(333,939)	-	-	-	-	-	(10,000)
3/1/1991	CHECK	(10,000)	-	(10,000)	-	-	(343,939)	-	-	-	-	-	(10,000)
4/23/1991	CHECK	(10,000)	-	(10,000)	-	-	(353,939)	-	-	-	-	-	(10,000)
5/30/1991	CHECK A/O 01/29/91	20,000	20,000	-	-	-	(333,939)	-	-	-	-	-	-
5/30/1991	CHECK	(250,000)	-	(250,000)	-	-	(583,939)	-	-	-	-	-	(250,000)
6/22/1994	CHECK	9,728	9,728	-	-	-	(574,211)	-	-	-	-	-	-
4/1/1996	TRANS FROM 1M001010 (1M0010)	7,928 ^[1]	-	-	-	-	(574,211)	-	-	-	-	-	-
Total:			\$ 361,393	\$ (935,604)	\$ -	\$ -	\$ (574,211)	\$ -	\$ -	\$ -	\$ -	\$ (361,393)	\$ (574,211)

^[1] Although BLMIS statements reflect that funds were transferred into this account on this date, these funds consisted entirely of fictitious profits which were never achieved and thus no funds were actually transferred into the account on this date. Accordingly, the account balance has remained unchanged.

BLMIS ACCOUNTING 1M000 - MARK MADOFF
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Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8	Column 9	Column 10	Column 11	Column 12	Column 13	Column 14
		<u>Transaction Amount Reported in Customer Statement</u>	<u>Cash Deposits</u>	<u>Cash Withdrawals</u>	<u>Transfers of Principal In</u>	<u>Transfers of Principal Out</u>	<u>Balance of Principal</u>	<u>2-Year Fraudulent Transfers - Principal</u>	<u>2-Year Fraudulent Transfers - Fictitious Profits</u>	<u>6-Year Fraudulent Transfers - Principal</u>	<u>6-Year Fraudulent Transfers - Fictitious Profits</u>	<u>Full History Fraudulent Transfers - Principal</u>	<u>Full History Fraudulent Transfers - Fictitious Profits</u>
Date	Transaction Description												
9/14/1987	TRANS FROM 10130310 (101303)	282,153 ^[2]	-	-	35,469	-	35,469	-	-	-	-	-	-
4/14/1988	CHECK	(27,500)	-	(27,500)	-	-	7,969	-	-	-	-	(27,500)	-
4/5/1990	CHECK	(29,854)	-	(29,854)	-	-	(21,885)	-	-	-	-	(27,969)	(1,885)
4/9/1991	CHECK	(39,342)	-	(39,342)	-	-	(61,227)	-	-	-	-	-	(39,342)
4/1/1992	CHECK	(26,000)	-	(26,000)	-	-	(87,227)	-	-	-	-	-	(26,000)
8/19/1992	CHECK	20,000	20,000	-	-	-	(67,227)	-	-	-	-	-	-
4/8/1993	CHECK	(30,000)	-	(30,000)	-	-	(97,227)	-	-	-	-	-	(30,000)
5/4/1993	CHECK	(40,000)	-	(40,000)	-	-	(137,227)	-	-	-	-	-	(40,000)
10/28/1993	CHECK	(30,000)	-	(30,000)	-	-	(167,227)	-	-	-	-	-	(30,000)
3/16/1994	CHECK	(25,000)	-	(25,000)	-	-	(192,227)	-	-	-	-	-	(25,000)
3/31/1994	CHECK	(42,449)	-	(42,449)	-	-	(234,676)	-	-	-	-	-	(42,449)
3/31/1994	CHECK	(613)	-	(613)	-	-	(235,289)	-	-	-	-	-	(613)
3/31/1994	CHECK	(1,047)	-	(1,047)	-	-	(236,336)	-	-	-	-	-	(1,047)
3/31/1994	CHECK	(1,500)	-	(1,500)	-	-	(237,836)	-	-	-	-	-	(1,500)
5/19/1994	CHECK	(50,000)	-	(50,000)	-	-	(287,836)	-	-	-	-	-	(50,000)
1/9/1995	CHECK	(50,000)	-	(50,000)	-	-	(337,836)	-	-	-	-	-	(50,000)
2/6/1995	CHECK	(50,000)	-	(50,000)	-	-	(387,836)	-	-	-	-	-	(50,000)
4/11/1995	CHECK	(5,001)	-	(5,001)	-	-	(392,837)	-	-	-	-	-	(5,001)
4/11/1995	CHECK	(12,534)	-	(12,534)	-	-	(405,371)	-	-	-	-	-	(12,534)
10/30/1995	CHECK	(100,000)	-	(100,000)	-	-	(505,371)	-	-	-	-	-	(100,000)
12/4/1995	CHECK	(100,000)	-	(100,000)	-	-	(605,371)	-	-	-	-	-	(100,000)
1/11/1996	CHECK	(100,000)	-	(100,000)	-	-	(705,371)	-	-	-	-	-	(100,000)
4/1/1996	TRANS TO 1M000930 (1M0009)	(7,928) ^[3]	-	-	-	-	(705,371)	-	-	-	-	-	-
5/3/1996	CHECK	(50,000)	-	(50,000)	-	-	(755,371)	-	-	-	-	-	(50,000)
8/21/1996	CHECK	(50,000)	-	(50,000)	-	-	(805,371)	-	-	-	-	-	(50,000)
4/8/1997	CHECK	(50,000)	-	(50,000)	-	-	(855,371)	-	-	-	-	-	(50,000)
5/5/1997	TRANS TO 1M010930 (1M0109)	(211,592) ^[3]	-	-	-	-	(855,371)	-	-	-	-	-	-
Total:			\$ 20,000	\$ (910,840)	\$ 35,469	\$ -	\$ (855,371)	\$ -	\$ -	\$ -	\$ -	\$ (55,469)	\$ (855,371)

^[2] Although BLMIS statements reflect that a larger transfer was made into the account on this date, a portion of the "transferred" funds consisted of fictitious profits which were never achieved and thus could not have been transferred. Accordingly, only the principal remaining in the originating account was transferred into this account on this date.

^[3] Although BLMIS statements reflect that funds were transferred out of this account on this date, these funds consisted entirely of fictitious profits which were never achieved and thus no funds were actually transferred out of the account on this date. Accordingly, the account balance has remained unchanged.

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BLMIS ACCOUNTING FROM MARK MADOFF

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8	Column 9	Column 10	Column 11	Column 12	Column 13	Column 14
		<u>Transaction Amount Reported in Customer Statement</u>	<u>Cash Deposits</u>	<u>Cash Withdrawals</u>	<u>Transfers of Principal In</u>	<u>Transfers of Principal Out</u>	<u>Balance of Principal</u>	<u>2-Year Fraudulent Transfers - Principal</u>	<u>2-Year Fraudulent Transfers - Fictitious Profits</u>	<u>6-Year Fraudulent Transfers - Principal</u>	<u>6-Year Fraudulent Transfers - Fictitious Profits</u>	<u>Full History Fraudulent Transfers - Principal</u>	<u>Full History Fraudulent Transfers - Fictitious Profits</u>
5/5/1997	TRANS FROM 1M001010 (1M0010)	211,592 ^[4]	-	-	-	-	-	-	-	-	-	-	-
7/31/1997	CHECK	(50,000)	-	(50,000)	-	-	(50,000)	-	-	-	-	-	(50,000)
10/27/1997	CHECK	(50,000)	-	(50,000)	-	-	(100,000)	-	-	-	-	-	(50,000)
1/28/1998	CHECK	(50,000)	-	(50,000)	-	-	(150,000)	-	-	-	-	-	(50,000)
3/25/1998	CHECK	(50,000)	-	(50,000)	-	-	(200,000)	-	-	-	-	-	(50,000)
6/27/2003	CHECK	(60,962)	-	(60,962)	-	-	(260,962)	-	-	-	(60,962)	-	(60,962)
3/5/2004	CHECK	(60)	-	(60)	-	-	(261,022)	-	-	-	(60)	-	(60)
Total:			\$ -	\$ (261,022)	\$ -	\$ -	\$ (261,022)	\$ -	\$ -	\$ -	\$ (61,022)	\$ -	\$ (261,022)

^[4] Although BLMIS statements reflect that funds were transferred into this account on this date, these funds consisted entirely of fictitious profits which were never achieved and thus no funds were actually transferred into the account on this date. Accordingly, the account balance has remained unchanged.

BLMIS ACCOUNTS OF BERNARD L. MADOFF
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Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8	Column 9	Column 10	Column 11	Column 12	Column 13	Column 14
		<u>Transaction Amount Reported in Customer Statement</u>	<u>Cash Deposits</u>	<u>Cash Withdrawals</u>	<u>Transfers of Principal In</u>	<u>Transfers of Principal Out</u>	<u>Balance of Principal</u>	<u>2-Year Fraudulent Transfers - Principal</u>	<u>2-Year Fraudulent Transfers - Fictitious Profits</u>	<u>6-Year Fraudulent Transfers - Principal</u>	<u>6-Year Fraudulent Transfers - Fictitious Profits</u>	<u>Full History Fraudulent Transfers - Principal</u>	<u>Full History Fraudulent Transfers - Fictitious Profits</u>
<u>Date</u>	<u>Transaction Description</u>												
7/22/1998	TRANS TO BERNARD L MADOFF	(28,795)	-	(28,795)	-	-	(28,795)	-	-	-	-	-	(28,795)
7/24/1998	CHECK WIRE	(1,956,205)	-	(1,956,205)	-	-	(1,985,000)	-	-	-	-	-	(1,956,205)
4/3/2002	CHECK WIRE	(5,331,853)	-	(5,331,853)	-	-	(7,316,853)	-	-	-	-	-	(5,331,853)
5/11/2004	CHECK WIRE	(4,391,944)	-	(4,391,944)	-	-	(11,708,797)	-	-	-	(4,391,944)	-	(4,391,944)
5/11/2004	CHECK WIRE	(2,927,964)	-	(2,927,964)	-	-	(14,636,761)	-	-	-	(2,927,964)	-	(2,927,964)
Total:			\$ -	\$ (14,636,761)	\$ -	\$ -	\$ (14,636,761)	\$ -	\$ -	\$ -	\$ (7,319,908)	\$ -	\$ (14,636,761)

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BLMIS ACCOUNT NO. 1M0143 - CHILDREN OF SARKIS MADOFF L/A 3/25/94 ANDREW H MADOFF TRUSTEE

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8	Column 9	Column 10	Column 11	Column 12	Column 13	Column 14
		<u>Transaction Amount Reported in Customer Statement</u>	<u>Cash Deposits</u>	<u>Cash Withdrawals</u>	<u>Transfers of Principal In</u>	<u>Transfers of Principal Out</u>	<u>Balance of Principal</u>	<u>2-Year Fraudulent Transfers - Principal</u>	<u>2-Year Fraudulent Transfers - Fictitious Profits</u>	<u>6-Year Fraudulent Transfers - Principal</u>	<u>6-Year Fraudulent Transfers - Fictitious Profits</u>	<u>Full History Fraudulent Transfers - Principal</u>	<u>Full History Fraudulent Transfers - Fictitious Profits</u>
<u>Date</u>	<u>Transaction Description</u>												
7/22/1998	TRANS TO BERNARD L MADOFF	(28,795)	-	(28,795)	-	-	(28,795)	-	-	-	-	-	(28,795)
7/24/1998	CHECK WIRE	(1,956,205)	-	(1,956,205)	-	-	(1,985,000)	-	-	-	-	-	(1,956,205)
Total:			\$ -	\$ (1,985,000)	\$ -	\$ -	\$ (1,985,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,985,000)

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MARK MADOFF COMPENSATION

<u>Date</u>	<u>Type</u>	<u>Transferee</u>	<u>Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
12/29/1993	Salary	Mark Madoff	249,600	-	-	-	249,600
12/29/1994	Salary	Mark Madoff	237,250	-	-	-	237,250
12/29/1994	Bonus / Other Earnings	Mark Madoff	87,600	-	-	-	87,600
12/27/1995	Salary	Mark Madoff	249,600	-	-	-	249,600
12/27/1995	Bonus / Other Earnings	Mark Madoff	267,800	-	-	-	267,800
12/25/1996	Salary	Mark Madoff	259,600	-	-	-	259,600
12/25/1996	Bonus / Other Earnings	Mark Madoff	142,000	-	-	-	142,000
12/31/1997	Salary	Mark Madoff	254,400	-	-	-	254,400
12/31/1997	Bonus / Other Earnings	Mark Madoff	528,000	-	-	-	528,000
1/7/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
1/14/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
1/21/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
1/28/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
1/28/1998	Bonus / Other Earnings	Mark Madoff	10,000	-	-	-	10,000
2/4/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
2/4/1998	Bonus / Other Earnings	Mark Madoff	300,000	-	-	-	300,000
2/11/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
2/18/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
2/25/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
3/4/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
3/11/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
3/18/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
3/25/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
4/1/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
4/8/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
4/15/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
4/22/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
4/29/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
5/6/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
5/13/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
5/20/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
5/20/1998	Bonus / Other Earnings	Mark Madoff	50,000	-	-	-	50,000
5/27/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
6/3/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
6/10/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
6/10/1998	Bonus / Other Earnings	Mark Madoff	50,000	-	-	-	50,000
6/17/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
6/24/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
7/1/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
7/8/1998	Salary	Mark Madoff	4,800	-	-	-	4,800

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MARK MADOFF COMPENSATION

<u>Date</u>	<u>Type</u>	<u>Transferee</u>	<u>Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
7/8/1998	Bonus / Other Earnings	Mark Madoff	96,000	-	-	-	96,000
7/15/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
7/22/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
7/29/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
8/5/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
8/12/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
8/19/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
8/26/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
9/2/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
9/9/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
9/16/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
9/23/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
9/30/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
10/7/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
10/14/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
10/21/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
10/28/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
11/4/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
11/11/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
11/18/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
11/25/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
12/2/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
12/9/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
12/9/1998	Bonus / Other Earnings	Mark Madoff	30,000	-	-	-	30,000
12/16/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
12/23/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
12/30/1998	Salary	Mark Madoff	4,800	-	-	-	4,800
1/6/1999	Salary	Mark Madoff	4,800	-	-	-	4,800
1/13/1999	Salary	Mark Madoff	4,800	-	-	-	4,800
1/20/1999	Salary	Mark Madoff	4,800	-	-	-	4,800
1/27/1999	Salary	Mark Madoff	4,800	-	-	-	4,800
1/27/1999	Bonus / Other Earnings	Mark Madoff	10,000	-	-	-	10,000
2/3/1999	Salary	Mark Madoff	4,800	-	-	-	4,800
2/10/1999	Salary	Mark Madoff	4,800	-	-	-	4,800
2/17/1999	Salary	Mark Madoff	4,800	-	-	-	4,800
2/24/1999	Salary	Mark Madoff	4,800	-	-	-	4,800
3/3/1999	Salary	Mark Madoff	4,800	-	-	-	4,800
3/10/1999	Salary	Mark Madoff	4,800	-	-	-	4,800
3/17/1999	Salary	Mark Madoff	4,800	-	-	-	4,800
3/24/1999	Salary	Mark Madoff	4,800	-	-	-	4,800

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MARK MADOFF COMPENSATION

<u>Date</u>	<u>Type</u>	<u>Transferee</u>	<u>Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
3/31/1999	Salary	Mark Madoff	9,615	-	-	-	9,615
4/7/1999	Salary	Mark Madoff	9,615	-	-	-	9,615
4/14/1999	Salary	Mark Madoff	9,615	-	-	-	9,615
4/21/1999	Salary	Mark Madoff	9,615	-	-	-	9,615
4/28/1999	Salary	Mark Madoff	9,615	-	-	-	9,615
4/28/1999	Bonus / Other Earnings	Mark Madoff	45,000	-	-	-	45,000
5/5/1999	Salary	Mark Madoff	9,615	-	-	-	9,615
5/12/1999	Salary	Mark Madoff	9,615	-	-	-	9,615
5/19/1999	Salary	Mark Madoff	9,615	-	-	-	9,615
5/26/1999	Salary	Mark Madoff	9,615	-	-	-	9,615
6/2/1999	Salary	Mark Madoff	9,615	-	-	-	9,615
6/9/1999	Salary	Mark Madoff	9,615	-	-	-	9,615
6/16/1999	Salary	Mark Madoff	9,615	-	-	-	9,615
6/23/1999	Salary	Mark Madoff	9,615	-	-	-	9,615
6/30/1999	Salary	Mark Madoff	9,615	-	-	-	9,615
7/7/1999	Salary	Mark Madoff	9,615	-	-	-	9,615
7/14/1999	Salary	Mark Madoff	9,615	-	-	-	9,615
7/21/1999	Salary	Mark Madoff	9,615	-	-	-	9,615
7/28/1999	Salary	Mark Madoff	9,615	-	-	-	9,615
8/4/1999	Salary	Mark Madoff	9,615	-	-	-	9,615
8/11/1999	Salary	Mark Madoff	9,615	-	-	-	9,615
8/18/1999	Salary	Mark Madoff	9,615	-	-	-	9,615
8/25/1999	Salary	Mark Madoff	9,615	-	-	-	9,615
9/1/1999	Salary	Mark Madoff	9,615	-	-	-	9,615
9/8/1999	Salary	Mark Madoff	9,615	-	-	-	9,615
9/15/1999	Salary	Mark Madoff	9,615	-	-	-	9,615
9/22/1999	Salary	Mark Madoff	9,615	-	-	-	9,615
9/29/1999	Salary	Mark Madoff	9,615	-	-	-	9,615
10/6/1999	Salary	Mark Madoff	9,615	-	-	-	9,615
10/13/1999	Salary	Mark Madoff	9,615	-	-	-	9,615
10/20/1999	Salary	Mark Madoff	9,615	-	-	-	9,615
10/27/1999	Salary	Mark Madoff	9,615	-	-	-	9,615
11/3/1999	Salary	Mark Madoff	9,615	-	-	-	9,615
11/10/1999	Salary	Mark Madoff	9,615	-	-	-	9,615
11/17/1999	Salary	Mark Madoff	9,615	-	-	-	9,615
11/24/1999	Salary	Mark Madoff	9,615	-	-	-	9,615
12/1/1999	Salary	Mark Madoff	9,615	-	-	-	9,615
12/8/1999	Salary	Mark Madoff	9,615	-	-	-	9,615
12/15/1999	Salary	Mark Madoff	9,615	-	-	-	9,615
12/22/1999	Salary	Mark Madoff	9,615	-	-	-	9,615

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MARK MADOFF COMPENSATION

<u>Date</u>	<u>Type</u>	<u>Transferee</u>	<u>Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
12/29/1999	Salary	Mark Madoff	9,615	-	-	-	9,615
1/5/2000	Salary	Mark Madoff	9,615	-	-	-	9,615
1/12/2000	Salary	Mark Madoff	9,615	-	-	-	9,615
1/19/2000	Salary	Mark Madoff	9,615	-	-	-	9,615
1/26/2000	Salary	Mark Madoff	9,615	-	-	-	9,615
1/26/2000	Bonus / Other Earnings	Mark Madoff	10,000	-	-	-	10,000
2/2/2000	Salary	Mark Madoff	9,615	-	-	-	9,615
2/9/2000	Salary	Mark Madoff	9,615	-	-	-	9,615
2/16/2000	Salary	Mark Madoff	9,615	-	-	-	9,615
2/23/2000	Salary	Mark Madoff	9,615	-	-	-	9,615
3/1/2000	Salary	Mark Madoff	9,615	-	-	-	9,615
3/8/2000	Salary	Mark Madoff	9,615	-	-	-	9,615
3/15/2000	Salary	Mark Madoff	9,615	-	-	-	9,615
3/22/2000	Salary	Mark Madoff	9,615	-	-	-	9,615
3/29/2000	Salary	Mark Madoff	9,615	-	-	-	9,615
4/5/2000	Salary	Mark Madoff	9,329	-	-	-	9,329
4/5/2000	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
4/12/2000	Salary	Mark Madoff	8,754	-	-	-	8,754
4/12/2000	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
4/19/2000	Salary	Mark Madoff	8,754	-	-	-	8,754
4/19/2000	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
4/26/2000	Salary	Mark Madoff	8,754	-	-	-	8,754
4/26/2000	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
5/3/2000	Salary	Mark Madoff	8,754	-	-	-	8,754
5/3/2000	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
5/10/2000	Salary	Mark Madoff	8,754	-	-	-	8,754
5/10/2000	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
5/17/2000	Salary	Mark Madoff	8,754	-	-	-	8,754
5/17/2000	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
5/24/2000	Salary	Mark Madoff	8,754	-	-	-	8,754
5/24/2000	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
5/31/2000	Salary	Mark Madoff	8,754	-	-	-	8,754
5/31/2000	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
6/7/2000	Salary	Mark Madoff	8,754	-	-	-	8,754
6/7/2000	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
6/14/2000	Salary	Mark Madoff	8,754	-	-	-	8,754
6/14/2000	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
6/21/2000	Salary	Mark Madoff	8,754	-	-	-	8,754
6/21/2000	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
6/28/2000	Salary	Mark Madoff	8,754	-	-	-	8,754

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MARK MADOFF COMPENSATION

<u>Date</u>	<u>Type</u>	<u>Transferee</u>	<u>Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
6/28/2000	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
7/5/2000	Salary	Mark Madoff	8,754	-	-	-	8,754
7/5/2000	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
7/12/2000	Salary	Mark Madoff	8,754	-	-	-	8,754
7/12/2000	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
7/19/2000	Salary	Mark Madoff	8,754	-	-	-	8,754
7/19/2000	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
7/26/2000	Salary	Mark Madoff	8,754	-	-	-	8,754
7/26/2000	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
8/2/2000	Salary	Mark Madoff	8,754	-	-	-	8,754
8/2/2000	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
8/9/2000	Salary	Mark Madoff	8,754	-	-	-	8,754
8/9/2000	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
8/16/2000	Salary	Mark Madoff	8,754	-	-	-	8,754
8/16/2000	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
8/23/2000	Salary	Mark Madoff	8,754	-	-	-	8,754
8/23/2000	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
8/30/2000	Salary	Mark Madoff	8,754	-	-	-	8,754
8/30/2000	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
9/6/2000	Salary	Mark Madoff	8,754	-	-	-	8,754
9/6/2000	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
9/13/2000	Salary	Mark Madoff	8,754	-	-	-	8,754
9/13/2000	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
9/20/2000	Salary	Mark Madoff	8,754	-	-	-	8,754
9/20/2000	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
9/27/2000	Salary	Mark Madoff	8,754	-	-	-	8,754
9/27/2000	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
10/4/2000	Salary	Mark Madoff	8,754	-	-	-	8,754
10/4/2000	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
10/11/2000	Salary	Mark Madoff	8,754	-	-	-	8,754
10/11/2000	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
10/18/2000	Salary	Mark Madoff	8,754	-	-	-	8,754
10/18/2000	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
10/25/2000	Salary	Mark Madoff	8,754	-	-	-	8,754
10/25/2000	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
11/1/2000	Salary	Mark Madoff	8,754	-	-	-	8,754
11/1/2000	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
11/8/2000	Salary	Mark Madoff	8,754	-	-	-	8,754
11/8/2000	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
11/15/2000	Salary	Mark Madoff	8,754	-	-	-	8,754

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MARK MADOFF COMPENSATION

<u>Date</u>	<u>Type</u>	<u>Transferee</u>	<u>Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
11/15/2000	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
11/22/2000	Salary	Mark Madoff	8,754	-	-	-	8,754
11/22/2000	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
11/29/2000	Salary	Mark Madoff	8,754	-	-	-	8,754
11/29/2000	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
12/6/2000	Salary	Mark Madoff	8,754	-	-	-	8,754
12/6/2000	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
12/13/2000	Salary	Mark Madoff	8,754	-	-	-	8,754
12/13/2000	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
12/20/2000	Salary	Mark Madoff	8,754	-	-	-	8,754
12/20/2000	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
12/27/2000	Salary	Mark Madoff	8,754	-	-	-	8,754
12/27/2000	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
1/3/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
1/3/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
1/10/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
1/10/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
1/17/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
1/17/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
1/24/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
1/24/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
1/31/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
1/31/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
1/31/2001	Bonus / Other Earnings	Mark Madoff	10,000	-	-	-	10,000
2/7/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
2/7/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
2/7/2001	Bonus / Other Earnings	Mark Madoff	3,000,000	-	-	-	3,000,000
2/14/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
2/14/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
2/21/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
2/21/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
2/28/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
2/28/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
3/7/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
3/7/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
3/14/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
3/14/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
3/21/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
3/21/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
3/28/2001	Salary	Mark Madoff	8,754	-	-	-	8,754

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MARK MADOFF COMPENSATION

<u>Date</u>	<u>Type</u>	<u>Transferee</u>	<u>Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
3/28/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
4/4/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
4/4/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
4/11/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
4/11/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
4/18/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
4/18/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
4/25/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
4/25/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
5/2/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
5/2/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
5/9/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
5/9/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
5/16/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
5/16/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
5/23/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
5/23/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
5/30/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
5/30/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
6/6/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
6/6/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
6/13/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
6/13/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
6/20/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
6/20/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
6/27/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
6/27/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
7/3/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
7/3/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
7/11/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
7/11/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
7/18/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
7/18/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
7/25/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
7/25/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
8/1/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
8/1/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
8/8/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
8/8/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
8/15/2001	Salary	Mark Madoff	8,754	-	-	-	8,754

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MARK MADOFF COMPENSATION

<u>Date</u>	<u>Type</u>	<u>Transferee</u>	<u>Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
8/15/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
8/22/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
8/22/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
8/29/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
8/29/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
9/5/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
9/5/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
9/12/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
9/12/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
9/19/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
9/19/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
9/26/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
9/26/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
10/3/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
10/3/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
10/10/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
10/10/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
10/17/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
10/17/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
10/24/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
10/24/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
10/31/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
10/31/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
11/7/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
11/7/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
11/14/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
11/14/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
11/21/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
11/21/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
11/28/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
11/28/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
12/5/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
12/5/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
12/12/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
12/12/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
12/19/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
12/19/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
12/26/2001	Salary	Mark Madoff	8,754	-	-	-	8,754
12/26/2001	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
1/2/2002	Salary	Mark Madoff	8,754	-	-	-	8,754

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MARK MADOFF COMPENSATION

<u>Date</u>	<u>Type</u>	<u>Transferee</u>	<u>Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
1/2/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
1/9/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
1/9/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
1/16/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
1/16/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
1/23/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
1/23/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
1/30/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
1/30/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
1/30/2002	Bonus / Other Earnings	Mark Madoff	10,000	-	-	-	10,000
2/6/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
2/6/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
2/13/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
2/13/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
2/20/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
2/20/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
2/27/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
2/27/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
3/6/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
3/6/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
3/13/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
3/13/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
3/14/2002	Bonus / Other Earnings	Mark Madoff	2,999,999	-	-	-	2,999,999
3/14/2002	Bonus / Other Earnings	FBO Mark Madoff	1	-	-	-	1
3/20/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
3/20/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
3/27/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
3/27/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
4/3/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
4/3/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
4/10/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
4/10/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
4/17/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
4/17/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
4/24/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
4/24/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
5/1/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
5/1/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
5/8/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
5/8/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096

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MARK MADOFF COMPENSATION

<u>Date</u>	<u>Type</u>	<u>Transferee</u>	<u>Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
5/15/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
5/15/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
5/22/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
5/22/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
5/29/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
5/29/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
6/5/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
6/5/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
6/12/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
6/12/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
6/19/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
6/19/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
6/26/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
6/26/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
7/3/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
7/3/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
7/10/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
7/10/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
7/17/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
7/17/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
7/24/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
7/24/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
7/31/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
7/31/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
8/7/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
8/7/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
8/14/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
8/14/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
8/21/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
8/21/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
8/28/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
8/28/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
9/4/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
9/4/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
9/11/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
9/11/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
9/18/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
9/18/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
9/25/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
9/25/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096

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MARK MADOFF COMPENSATION

<u>Date</u>	<u>Type</u>	<u>Transferee</u>	<u>Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
10/2/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
10/2/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
10/9/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
10/9/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
10/16/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
10/16/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
10/23/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
10/23/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
10/30/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
10/30/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
11/6/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
11/6/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
11/13/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
11/13/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
11/20/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
11/20/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
11/27/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
11/27/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
12/4/2002	Salary	Mark Madoff	8,754	-	-	-	8,754
12/4/2002	Salary	FBO Mark Madoff	5,096	-	-	-	5,096
12/11/2002	Salary	Mark Madoff	8,754	-	-	8,754	-
12/11/2002	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
12/18/2002	Salary	Mark Madoff	8,754	-	-	8,754	-
12/18/2002	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
12/24/2002	Salary	Mark Madoff	8,754	-	-	8,754	-
12/24/2002	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
1/1/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
1/1/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
1/8/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
1/8/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
1/15/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
1/15/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
1/22/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
1/22/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
1/29/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
1/29/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
1/29/2003	Bonus / Other Earnings	Mark Madoff	15,000	-	-	15,000	-
2/5/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
2/5/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
2/12/2003	Salary	Mark Madoff	8,754	-	-	8,754	-

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MARK MADOFF COMPENSATION

<u>Date</u>	<u>Type</u>	<u>Transferee</u>	<u>Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
2/12/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
2/19/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
2/19/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
2/26/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
2/26/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
3/5/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
3/5/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
3/12/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
3/12/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
3/19/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
3/19/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
3/26/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
3/26/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
4/2/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
4/2/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
4/9/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
4/9/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
4/16/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
4/16/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
4/23/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
4/23/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
4/30/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
4/30/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
5/2/2003	Salary	Mark Madoff	5,539	-	-	5,539	-
5/2/2003	Salary	FBO Mark Madoff	1	-	-	1	-
5/9/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
5/9/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
5/16/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
5/16/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
5/23/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
5/23/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
5/30/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
5/30/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
6/6/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
6/6/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
6/13/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
6/13/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
6/20/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
6/20/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
6/27/2003	Salary	Mark Madoff	8,754	-	-	8,754	-

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MARK MADOFF COMPENSATION

<u>Date</u>	<u>Type</u>	<u>Transferee</u>	<u>Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
6/27/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
7/3/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
7/3/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
7/11/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
7/11/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
7/18/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
7/18/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
7/25/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
7/25/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
8/1/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
8/1/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
8/8/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
8/8/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
8/18/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
8/18/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
8/22/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
8/22/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
8/29/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
8/29/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
9/5/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
9/5/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
9/12/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
9/12/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
9/19/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
9/19/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
9/26/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
9/26/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
10/3/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
10/3/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
10/10/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
10/10/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
10/17/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
10/17/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
10/24/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
10/24/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
10/31/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
10/31/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
11/7/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
11/7/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
11/14/2003	Salary	Mark Madoff	8,754	-	-	8,754	-

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MARK MADOFF COMPENSATION

<u>Date</u>	<u>Type</u>	<u>Transferee</u>	<u>Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
11/14/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
11/21/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
11/21/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
11/28/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
11/28/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
12/5/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
12/5/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
12/12/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
12/12/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
12/19/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
12/19/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
12/26/2003	Salary	Mark Madoff	8,754	-	-	8,754	-
12/26/2003	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
1/2/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
1/2/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
1/9/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
1/9/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
1/16/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
1/16/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
1/23/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
1/23/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
1/30/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
1/30/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
1/30/2004	Bonus / Other Earnings	Mark Madoff	20,000	-	-	20,000	-
2/6/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
2/6/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
2/13/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
2/13/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
2/20/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
2/20/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
2/27/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
2/27/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
3/5/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
3/5/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
3/12/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
3/12/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
3/19/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
3/19/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
3/26/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
3/26/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-

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MARK MADOFF COMPENSATION

<u>Date</u>	<u>Type</u>	<u>Transferee</u>	<u>Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
4/2/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
4/2/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
4/9/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
4/9/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
4/16/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
4/16/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
4/23/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
4/23/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
4/30/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
4/30/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
5/7/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
5/7/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
5/14/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
5/14/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
5/21/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
5/21/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
5/28/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
5/28/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
6/4/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
6/4/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
6/11/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
6/11/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
6/18/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
6/18/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
6/25/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
6/25/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
7/2/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
7/2/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
7/9/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
7/9/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
7/16/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
7/16/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
7/23/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
7/23/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
7/30/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
7/30/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
8/6/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
8/6/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
8/13/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
8/13/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-

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MARK MADOFF COMPENSATION

<u>Date</u>	<u>Type</u>	<u>Transferee</u>	<u>Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
8/20/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
8/20/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
8/27/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
8/27/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
9/3/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
9/3/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
9/10/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
9/10/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
9/17/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
9/17/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
9/24/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
9/24/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
10/1/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
10/1/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
10/8/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
10/8/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
10/15/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
10/15/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
10/22/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
10/22/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
10/29/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
10/29/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
11/5/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
11/5/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
11/12/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
11/12/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
11/19/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
11/19/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
11/26/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
11/26/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
12/3/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
12/3/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
12/10/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
12/10/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
12/17/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
12/17/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
12/23/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
12/23/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
12/30/2004	Salary	Mark Madoff	8,754	-	-	8,754	-
12/30/2004	Salary	FBO Mark Madoff	5,096	-	-	5,096	-

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MARK MADOFF COMPENSATION

<u>Date</u>	<u>Type</u>	<u>Transferee</u>	<u>Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
1/7/2005	Salary	Mark Madoff	8,754	-	-	8,754	-
1/7/2005	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
1/7/2005	Bonus / Other Earnings	Mark Madoff	20,000	-	-	20,000	-
1/14/2005	Salary	Mark Madoff	8,754	-	-	8,754	-
1/14/2005	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
1/21/2005	Salary	Mark Madoff	8,754	-	-	8,754	-
1/21/2005	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
1/28/2005	Salary	Mark Madoff	8,754	-	-	8,754	-
1/28/2005	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
2/4/2005	Salary	Mark Madoff	8,754	-	-	8,754	-
2/4/2005	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
2/11/2005	Salary	Mark Madoff	8,754	-	-	8,754	-
2/11/2005	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
2/18/2005	Salary	Mark Madoff	8,754	-	-	8,754	-
2/18/2005	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
2/25/2005	Salary	Mark Madoff	8,754	-	-	8,754	-
2/25/2005	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
3/4/2005	Salary	Mark Madoff	8,754	-	-	8,754	-
3/4/2005	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
3/10/2005	Salary	Mark Madoff	8,754	-	-	8,754	-
3/10/2005	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
3/18/2005	Salary	Mark Madoff	8,754	-	-	8,754	-
3/18/2005	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
3/25/2005	Salary	Mark Madoff	8,754	-	-	8,754	-
3/25/2005	Salary	FBO Mark Madoff	5,096	-	-	5,096	-
4/1/2005	Salary	Mark Madoff	9,773	-	-	9,773	-
4/1/2005	Salary	FBO Mark Madoff	4,077	-	-	4,077	-
4/8/2005	Salary	Mark Madoff	13,850	-	-	13,850	-
4/15/2005	Salary	Mark Madoff	13,850	-	-	13,850	-
4/22/2005	Salary	Mark Madoff	13,850	-	-	13,850	-
4/29/2005	Salary	Mark Madoff	13,850	-	-	13,850	-
5/6/2005	Salary	Mark Madoff	13,850	-	-	13,850	-
5/13/2005	Salary	Mark Madoff	13,850	-	-	13,850	-
5/20/2005	Salary	Mark Madoff	13,850	-	-	13,850	-
5/27/2005	Salary	Mark Madoff	13,850	-	-	13,850	-
6/3/2005	Salary	Mark Madoff	13,850	-	-	13,850	-
6/10/2005	Salary	Mark Madoff	13,850	-	-	13,850	-
6/17/2005	Salary	Mark Madoff	13,850	-	-	13,850	-
6/24/2005	Salary	Mark Madoff	13,850	-	-	13,850	-
7/1/2005	Salary	Mark Madoff	13,850	-	-	13,850	-

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MARK MADOFF COMPENSATION

<u>Date</u>	<u>Type</u>	<u>Transferee</u>	<u>Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
7/8/2005	Salary	Mark Madoff	13,850	-	-	13,850	-
7/15/2005	Salary	Mark Madoff	13,850	-	-	13,850	-
7/22/2005	Salary	Mark Madoff	13,850	-	-	13,850	-
7/29/2005	Salary	Mark Madoff	13,850	-	-	13,850	-
8/5/2005	Salary	Mark Madoff	13,850	-	-	13,850	-
8/12/2005	Salary	Mark Madoff	13,850	-	-	13,850	-
8/19/2005	Salary	Mark Madoff	13,850	-	-	13,850	-
8/26/2005	Salary	Mark Madoff	13,850	-	-	13,850	-
9/2/2005	Salary	Mark Madoff	13,850	-	-	13,850	-
9/9/2005	Salary	Mark Madoff	13,850	-	-	13,850	-
9/16/2005	Salary	Mark Madoff	13,850	-	-	13,850	-
9/23/2005	Salary	Mark Madoff	13,850	-	-	13,850	-
9/30/2005	Salary	Mark Madoff	13,850	-	-	13,850	-
10/7/2005	Salary	Mark Madoff	13,850	-	-	13,850	-
10/14/2005	Salary	Mark Madoff	13,850	-	-	13,850	-
10/21/2005	Salary	Mark Madoff	13,850	-	-	13,850	-
10/28/2005	Salary	Mark Madoff	13,850	-	-	13,850	-
11/4/2005	Salary	Mark Madoff	13,850	-	-	13,850	-
11/10/2005	Salary	Mark Madoff	13,850	-	-	13,850	-
11/18/2005	Salary	Mark Madoff	13,850	-	-	13,850	-
11/25/2005	Salary	Mark Madoff	13,850	-	-	13,850	-
12/2/2005	Salary	Mark Madoff	13,850	-	-	13,850	-
12/9/2005	Salary	Mark Madoff	13,850	-	-	13,850	-
12/9/2005	Bonus / Other Earnings	Mark Madoff	3,000,000	-	-	3,000,000	-
12/16/2005	Salary	Mark Madoff	13,850	-	-	13,850	-
12/23/2005	Salary	Mark Madoff	13,850	-	-	13,850	-
12/30/2005	Salary	Mark Madoff	13,850	-	-	13,850	-
1/6/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
1/6/2006	Bonus / Other Earnings	Mark Madoff	20,000	-	-	20,000	-
1/13/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
1/20/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
1/27/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
2/3/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
2/10/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
2/17/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
2/17/2006	Bonus / Other Earnings	Mark Madoff	4,800,000	-	-	4,800,000	-
2/24/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
3/3/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
3/10/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
3/17/2006	Salary	Mark Madoff	13,850	-	-	13,850	-

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MARK MADOFF COMPENSATION

<u>Date</u>	<u>Type</u>	<u>Transferee</u>	<u>Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
3/23/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
3/31/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
4/7/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
4/13/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
4/21/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
4/28/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
5/5/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
5/12/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
5/19/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
5/26/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
6/2/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
6/9/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
6/16/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
6/23/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
6/30/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
7/7/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
7/14/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
7/21/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
7/28/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
8/4/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
8/11/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
8/18/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
8/25/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
9/1/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
9/8/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
9/15/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
9/22/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
9/29/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
10/6/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
10/13/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
10/20/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
10/27/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
11/3/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
11/10/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
11/17/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
11/24/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
12/1/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
12/8/2006	Salary	Mark Madoff	13,850	-	-	13,850	-
12/15/2006	Salary	Mark Madoff	13,850	-	13,850	13,850	-
12/22/2006	Salary	Mark Madoff	13,850	-	13,850	13,850	-

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MARK MADOFF COMPENSATION

<u>Date</u>	<u>Type</u>	<u>Transferee</u>	<u>Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
12/29/2006	Salary	Mark Madoff	13,850	-	13,850	13,850	-
1/5/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
1/5/2007	Bonus / Other Earnings	Mark Madoff	20,000	-	20,000	20,000	-
1/12/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
1/19/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
1/26/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
2/2/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
2/9/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
2/16/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
2/23/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
3/2/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
3/2/2007	Bonus / Other Earnings	Mark Madoff	1,000,000	-	1,000,000	1,000,000	-
3/9/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
3/9/2007	Bonus / Other Earnings	Mark Madoff	4,000,000	-	4,000,000	4,000,000	-
3/16/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
3/23/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
3/30/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
4/5/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
4/13/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
4/20/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
4/27/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
5/4/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
5/11/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
5/18/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
5/25/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
6/1/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
6/8/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
6/15/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
6/15/2007	Bonus / Other Earnings	Mark Madoff	4,000,000	-	4,000,000	4,000,000	-
6/22/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
6/29/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
7/6/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
7/13/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
7/20/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
7/27/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
8/3/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
8/10/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
8/17/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
8/24/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
8/31/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-

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MARK MADOFF COMPENSATION

<u>Date</u>	<u>Type</u>	<u>Transferee</u>	<u>Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
9/7/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
9/14/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
9/21/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
9/28/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
10/5/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
10/12/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
10/19/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
10/26/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
11/2/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
11/9/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
11/16/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
11/23/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
11/30/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
12/7/2007	Salary	Mark Madoff	13,850	-	13,850	13,850	-
12/14/2007	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
12/14/2007	Bonus / Other Earnings	Mark Madoff	301,350	301,350	301,350	301,350	-
12/21/2007	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
12/28/2007	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
1/4/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
1/4/2008	Bonus / Other Earnings	Mark Madoff	25,000	25,000	25,000	25,000	-
1/11/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
1/18/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
1/25/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
2/1/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
2/8/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
2/15/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
2/22/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
2/29/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
3/7/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
3/14/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
3/21/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
3/28/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
4/4/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
4/11/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
4/18/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
4/25/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
5/2/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
5/9/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
5/16/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
5/23/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-

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MARK MADOFF COMPENSATION

<u>Date</u>	<u>Type</u>	<u>Transferee</u>	<u>Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
5/30/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
6/6/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
6/13/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
6/20/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
6/27/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
7/3/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
7/11/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
7/18/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
7/25/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
8/1/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
8/8/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
8/15/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
8/22/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
8/29/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
9/5/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
9/12/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
9/19/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
9/26/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
10/3/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
10/10/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
10/17/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
10/24/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
10/31/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
11/7/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
11/14/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
11/21/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
11/28/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
12/5/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
12/12/2008	Salary	Mark Madoff	20,000	20,000	20,000	20,000	-
Total:			\$ 33,554,960	\$ 1,386,350	\$ 11,126,550	\$ 21,901,740	\$ 11,653,220

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OTHER TRANSFERS TO OR FOR THE BENEFIT OF MARK MADOFF

<u>Date</u>	<u>Transferee</u>	<u>Comments</u>	<u>Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
12/2/1994	Mark Madoff		600,000	-	-	-	600,000
12/3/1994	Mark Madoff		1,000,000	-	-	-	1,000,000
5/31/1997	Edrich Fine Arts	FBO Mark Madoff	9,000	-	-	-	9,000
6/30/1997	Edrich Fine Arts	FBO Mark Madoff	14,050	-	-	-	14,050
6/30/1997	Edrich Fine Arts	FBO Mark Madoff	1,800	-	-	-	1,800
9/30/1997	Edrich Fine Arts	FBO Mark Madoff	8,500	-	-	-	8,500
11/30/1997	Edrich Fine Arts	FBO Mark Madoff	5,500	-	-	-	5,500
11/30/1997	Edrich Fine Arts	FBO Mark Madoff	2,500	-	-	-	2,500
11/30/1997	Edrich Fine Arts	FBO Mark Madoff	1,125	-	-	-	1,125
12/18/1998	MSIL	FBO Mark Madoff	5,000,000	-	-	-	5,000,000
3/1/2000	Ivey, Barnum & O'Mara	FBO Mark Madoff	222,500	-	-	-	222,500
3/15/2000	Kinese Barnes Fine Art	FBO Mark Madoff	3,000	-	-	-	3,000
3/22/2000	Ivey, Barnum & O'Mara	FBO Mark Madoff	2,020,000	-	-	-	2,020,000
4/5/2000	John Colello	FBO Mark Madoff	7,000	-	-	-	7,000
4/5/2000	John Colello	FBO Mark Madoff	7,000	-	-	-	7,000
4/11/2000	John Colello	FBO Mark Madoff	7,000	-	-	-	7,000
4/11/2000	John Colello	FBO Mark Madoff	7,000	-	-	-	7,000
4/20/2000	John Colello	FBO Mark Madoff	7,000	-	-	-	7,000
4/20/2000	John Colello	FBO Mark Madoff	7,000	-	-	-	7,000
4/20/2000	John Colello	FBO Mark Madoff	2,710	-	-	-	2,710
4/26/2000	Vicente Wolf Associates	FBO Mark Madoff	2,484	-	-	-	2,484
5/1/2000	John Colello	FBO Mark Madoff	2,904	-	-	-	2,904
5/4/2000	Vicente Wolf Associates	FBO Mark Madoff	163,030	-	-	-	163,030
5/11/2000	Vicente Wolf Associates	FBO Mark Madoff	2,943	-	-	-	2,943
7/3/2000	Kinese Barnes Fine Art	FBO Mark Madoff	10,000	-	-	-	10,000
7/5/2000	Vicente Wolf Associates	FBO Mark Madoff	2,465	-	-	-	2,465
7/24/2000	Vicente Wolf Associates	FBO Mark Madoff	1,565	-	-	-	1,565
7/27/2000	Vicente Wolf Associates	FBO Mark Madoff	82,813	-	-	-	82,813
8/30/2000	Vicente Wolf Associates	FBO Mark Madoff	550	-	-	-	550
9/8/2000	Vicente Wolf Associates	FBO Mark Madoff	1,759	-	-	-	1,759
9/11/2000	Vicente Wolf Associates	FBO Mark Madoff	45,787	-	-	-	45,787
9/20/2000	Vicente Wolf Associates	FBO Mark Madoff	1,124	-	-	-	1,124
11/13/2000	Kinese Barnes Fine Art	FBO Mark Madoff	13,000	-	-	-	13,000
11/17/2000	Vicente Wolf Associates	FBO Mark Madoff	389	-	-	-	389
12/8/2000	Vicente Wolf Associates	FBO Mark Madoff	4,500	-	-	-	4,500
1/9/2001	Mark Madoff		20,000	-	-	-	20,000
1/11/2001	Financial Auction Network	FBO Mark Madoff	779,625	-	-	-	779,625
1/17/2001	Vicente Wolf Associates	FBO Mark Madoff	780	-	-	-	780
2/21/2001	Thomas First and Julie First	FBO Mark Madoff	938,110	-	-	-	938,110
2/21/2001	SunTrust Bank	FBO Mark Madoff	254,820	-	-	-	254,820
2/21/2001	164 East 72nd Street Corp	FBO Mark Madoff	26,500	-	-	-	26,500
2/21/2001	NY Department of Taxation & Finance	FBO Mark Madoff	13,250	-	-	-	13,250
2/22/2001	Vicente Wolf Associates	FBO Mark Madoff	175,389	-	-	-	175,389
4/19/2001	Vicente Wolf Associates	FBO Mark Madoff	8,650	-	-	-	8,650
4/27/2001	Vicente Wolf Associates	FBO Mark Madoff	5,520	-	-	-	5,520
6/5/2001	Vicente Wolf Associates	FBO Mark Madoff	26,260	-	-	-	26,260
6/27/2001	Vicente Wolf Associates	FBO Mark Madoff	21,615	-	-	-	21,615

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OTHER TRANSFERS TO OR FOR THE BENEFIT OF MARK MADOFF

<u>Date</u>	<u>Transferee</u>	<u>Comments</u>	<u>Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
7/18/2001	Vicente Wolf Associates	FBO Mark Madoff	7,376	-	-	-	7,376
8/3/2001	Vicente Wolf Associates	FBO Mark Madoff	13,637	-	-	-	13,637
8/14/2001	Vicente Wolf Associates	FBO Mark Madoff	37,351	-	-	-	37,351
8/28/2001	Vicente Wolf Associates	FBO Mark Madoff	5,471	-	-	-	5,471
8/30/2001	Vicente Wolf Associates	FBO Mark Madoff	94,045	-	-	-	94,045
9/19/2001	Vicente Wolf Associates	FBO Mark Madoff	19,616	-	-	-	19,616
10/12/2001	Vicente Wolf Associates	FBO Mark Madoff	35,383	-	-	-	35,383
10/18/2001	Vicente Wolf Associates	FBO Mark Madoff	6,520	-	-	-	6,520
11/1/2001	Vicente Wolf Associates	FBO Mark Madoff	3,962	-	-	-	3,962
11/15/2001	Vicente Wolf Associates	FBO Mark Madoff	13,798	-	-	-	13,798
12/14/2001	Vicente Wolf Associates	FBO Mark Madoff	1,702	-	-	-	1,702
1/28/2002	Mark Madoff		20,000	-	-	-	20,000
5/2/2002	American Express	FBO Mark Madoff	7,741	-	-	-	7,741
5/7/2002	Mark Madoff		500,000	-	-	-	500,000
6/4/2002	American Express	FBO Mark Madoff	8,005	-	-	-	8,005
7/3/2002	American Express	FBO Mark Madoff	12,083	-	-	-	12,083
8/2/2002	American Express	FBO Mark Madoff	(482)	-	-	-	(482)
9/3/2002	American Express	FBO Mark Madoff	4,386	-	-	-	4,386
10/4/2002	American Express	FBO Mark Madoff	12,215	-	-	-	12,215
11/5/2002	American Express	FBO Mark Madoff	6,548	-	-	-	6,548
12/4/2002	American Express	FBO Mark Madoff	5,156	-	-	-	5,156
1/7/2003	American Express	FBO Mark Madoff	3,410	-	-	3,410	-
2/5/2003	American Express	FBO Mark Madoff	15,212	-	-	15,212	-
3/4/2003	American Express	FBO Mark Madoff	17,635	-	-	17,635	-
4/4/2003	American Express	FBO Mark Madoff	4,426	-	-	4,426	-
5/5/2003	American Express	FBO Mark Madoff	22,414	-	-	22,414	-
6/2/2003	American Express	FBO Mark Madoff	8,707	-	-	8,707	-
7/3/2003	American Express	FBO Mark Madoff	4,242	-	-	4,242	-
8/4/2003	American Express	FBO Mark Madoff	8,107	-	-	8,107	-
9/3/2003	American Express	FBO Mark Madoff	15,051	-	-	15,051	-
10/3/2003	American Express	FBO Mark Madoff	5,825	-	-	5,825	-
11/4/2003	American Express	FBO Mark Madoff	8,589	-	-	8,589	-
12/3/2003	American Express	FBO Mark Madoff	5,320	-	-	5,320	-
1/6/2004	American Express	FBO Mark Madoff	9,177	-	-	9,177	-
1/8/2004	Mark Madoff		10,000	-	-	10,000	-
1/8/2004	Mark Madoff		10,000	-	-	10,000	-
1/28/2004	Mark Madoff		24,939	-	-	24,939	-
2/4/2004	American Express	FBO Mark Madoff	16,283	-	-	16,283	-
2/26/2004	American Express	FBO Mark Madoff	4,644	-	-	4,644	-
3/1/2004	Mark Madoff		2,900,000	-	-	2,900,000	-
3/2/2004	Mark Madoff		25,000	-	-	25,000	-
3/24/2004	American Express	FBO Mark Madoff	6,430	-	-	6,430	-
5/4/2004	American Express	FBO Mark Madoff	17,999	-	-	17,999	-
6/2/2004	American Express	FBO Mark Madoff	11,558	-	-	11,558	-
7/2/2004	American Express	FBO Mark Madoff	4,475	-	-	4,475	-
8/3/2004	American Express	FBO Mark Madoff	33,357	-	-	33,357	-
9/2/2004	American Express	FBO Mark Madoff	21,349	-	-	21,349	-

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OTHER TRANSFERS TO OR FOR THE BENEFIT OF MARK MADOFF

<u>Date</u>	<u>Transferee</u>	<u>Comments</u>	<u>Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
10/5/2004	American Express	FBO Mark Madoff	2,784	-	-	2,784	-
11/2/2004	American Express	FBO Mark Madoff	5,784	-	-	5,784	-
12/3/2004	American Express	FBO Mark Madoff	11,566	-	-	11,566	-
1/4/2005	American Express	FBO Mark Madoff	6,811	-	-	6,811	-
1/19/2005	Mark Madoff		10,000	-	-	10,000	-
1/19/2005	Mark Madoff		10,000	-	-	10,000	-
1/19/2005	Stephanie Madoff	FBO Mark Madoff	10,000	-	-	10,000	-
1/19/2005	Stephanie Madoff	FBO Mark Madoff	10,000	-	-	10,000	-
2/3/2005	American Express	FBO Mark Madoff	5,155	-	-	5,155	-
3/4/2005	American Express	FBO Mark Madoff	3,655	-	-	3,655	-
4/5/2005	American Express	FBO Mark Madoff	6,678	-	-	6,678	-
5/4/2005	American Express	FBO Mark Madoff	15,511	-	-	15,511	-
6/2/2005	American Express	FBO Mark Madoff	3,363	-	-	3,363	-
6/15/2005	Snow Becker Krauss Iola	FBO Mark Madoff	5,556,589	-	-	5,556,589	-
7/5/2005	American Express	FBO Mark Madoff	1,528	-	-	1,528	-
8/3/2005	American Express	FBO Mark Madoff	3,767	-	-	3,767	-
9/2/2005	American Express	FBO Mark Madoff	1,803	-	-	1,803	-
10/6/2005	American Express	FBO Mark Madoff	7,243	-	-	7,243	-
11/4/2005	American Express	FBO Mark Madoff	4,643	-	-	4,643	-
12/2/2005	American Express	FBO Mark Madoff	11,059	-	-	11,059	-
1/4/2006	American Express	FBO Mark Madoff	15,717	-	-	15,717	-
2/3/2006	American Express	FBO Mark Madoff	8,153	-	-	8,153	-
2/7/2006	Mark Madoff		11,000	-	-	11,000	-
2/7/2006	Mark Madoff		11,000	-	-	11,000	-
3/3/2006	American Express	FBO Mark Madoff	6,777	-	-	6,777	-
4/4/2006	American Express	FBO Mark Madoff	8,274	-	-	8,274	-
5/3/2006	American Express	FBO Mark Madoff	18,657	-	-	18,657	-
5/4/2006	Mark Madoff		1,200	-	-	1,200	-
6/6/2006	American Express	FBO Mark Madoff	5,416	-	-	5,416	-
7/6/2006	American Express	FBO Mark Madoff	4,260	-	-	4,260	-
8/4/2006	American Express	FBO Mark Madoff	9,846	-	-	9,846	-
9/7/2006	American Express	FBO Mark Madoff	9,394	-	-	9,394	-
10/5/2006	American Express	FBO Mark Madoff	4,968	-	-	4,968	-
11/6/2006	American Express	FBO Mark Madoff	4,315	-	-	4,315	-
12/6/2006	American Express	FBO Mark Madoff	9,447	-	-	9,447	-
1/5/2007	American Express	FBO Mark Madoff	6,555	-	6,555	6,555	-
1/10/2007	Mark Madoff		11,000	-	11,000	11,000	-
1/10/2007	Mark Madoff		11,000	-	11,000	11,000	-
2/7/2007	American Express	FBO Mark Madoff	5,062	-	5,062	5,062	-
3/7/2007	American Express	FBO Mark Madoff	9,155	-	9,155	9,155	-
4/3/2007	American Express	FBO Mark Madoff	4,431	-	4,431	4,431	-
5/3/2007	American Express	FBO Mark Madoff	3,994	-	3,994	3,994	-
6/4/2007	American Express	FBO Mark Madoff	7,001	-	7,001	7,001	-
7/5/2007	American Express	FBO Mark Madoff	8,360	-	8,360	8,360	-
8/7/2007	American Express	FBO Mark Madoff	2,837	-	2,837	2,837	-
9/5/2007	American Express	FBO Mark Madoff	12,862	-	12,862	12,862	-
10/4/2007	American Express	FBO Mark Madoff	16,841	-	16,841	16,841	-

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OTHER TRANSFERS TO OR FOR THE BENEFIT OF MARK MADOFF

<u>Date</u>	<u>Transferee</u>	<u>Comments</u>	<u>Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
10/30/2007	American Express	FBO Mark Madoff	4,488	-	4,488	4,488	-
12/5/2007	American Express	FBO Mark Madoff	10,225	-	10,225	10,225	-
1/4/2008	American Express	FBO Mark Madoff	19,691	19,691	19,691	19,691	-
2/1/2008	American Express	FBO Mark Madoff	26,777	26,777	26,777	26,777	-
3/3/2008	American Express	FBO Mark Madoff	10,918	10,918	10,918	10,918	-
4/1/2008	American Express	FBO Mark Madoff	20,762	20,762	20,762	20,762	-
5/1/2008	American Express	FBO Mark Madoff	5,974	5,974	5,974	5,974	-
5/28/2008	Patricia Halsted, Attorney At Law	FBO Mark Madoff	640,000	-	640,000	640,000	-
6/2/2008	American Express	FBO Mark Madoff	5,105	5,105	5,105	5,105	-
6/6/2008	Patricia Halsted, Attorney At Law	FBO Mark Madoff	6,005,000	-	6,005,000	6,005,000	-
6/26/2008	American Express	FBO Mark Madoff	80,695	80,695	80,695	80,695	-
7/2/2008	American Express	FBO Mark Madoff	4,383	4,383	4,383	4,383	-
9/2/2008	American Express	FBO Mark Madoff	7,386	7,386	7,386	7,386	-
10/1/2008	American Express	FBO Mark Madoff	11,213	11,213	11,213	11,213	-
10/30/2008	American Express	FBO Mark Madoff	4,407	4,407	4,407	4,407	-
12/2/2008	American Express	FBO Mark Madoff	7,257	7,257	7,257	7,257	-
Total:			\$ 28,346,922	\$ 204,566	\$ 6,963,377	\$ 15,993,893	\$ 12,353,029

EXHIBIT D

SUBSEQUENT TRANSFERS TO STEPHANIE MACK

<u>Date</u>	<u>Transferor</u>	<u>Transferee</u>	<u>Comments</u>	<u>Transfer Amount</u>
1/19/2005	Mark Madoff	Stephanie Mack	459 West Broadway, New York, NY 10012	Undetermined Value ^[1]
12/11/2010	Mark Madoff	Stephanie Mack	51 Wanoma Way, Nantucket, MA 02554	Undetermined Value ^[1]
12/11/2010	Mark Madoff	Stephanie Mack	583 Broadway, New York, NY 10012	Undetermined Value ^[1]

^[1] Transfer of property interest was made by Mark Madoff, but purchase of property was funded by BLMIS.

EXHIBIT E

TRANSFERS TO OR FOR THE BENEFIT OF ANDREW MADOFF - SUMMARY

<u>Transfer Category</u>	<u>Total</u> <u>Transfer Amount</u>	<u>1-Year</u> <u>Preferential</u> <u>Transfers</u>	<u>2-Year</u> <u>Transfers</u>	<u>6-Year</u> <u>Transfers</u>	<u>Prior to</u> <u>6-Year</u> <u>Transfers</u>
IA Account Withdrawals	16,675,854	-	-	6,819,406	9,856,448
Salary	9,015,845	1,060,000	2,100,000	6,194,535	2,821,310
Bonus / Deferred Compensation / Other Earnings	25,202,000	1,025,000	10,045,000	17,920,000	7,282,000
Other Transfers	21,768,309	153,296	5,068,277	12,439,341	9,328,967
	<u>\$ 72,662,007</u>	<u>\$ 2,238,296</u>	<u>\$ 17,213,277</u>	<u>\$ 43,373,282</u>	<u>\$ 29,288,725</u>

EXHIBIT F

BLMIS ACCOUNT NO. 1M0005 - ANDREW MADOFF

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8	Column 9	Column 10	Column 11	Column 12	Column 13	Column 14
		<u>Transaction</u> <u>Amount</u> <u>Reported in</u> <u>Customer</u> <u>Statement</u>											
<u>Date</u>	<u>Transaction</u> <u>Description</u>		<u>Cash</u> <u>Deposits</u>	<u>Cash</u> <u>Withdrawals</u>	<u>Transfers of</u> <u>Principal In</u>	<u>Transfers of</u> <u>Principal Out</u>	<u>Balance of</u> <u>Principal</u>	<u>2-Year</u> <u>Fraudulent</u> <u>Transfers -</u> <u>Principal</u>	<u>2-Year</u> <u>Fraudulent</u> <u>Transfers -</u> <u>Fictitious</u> <u>Profits</u>	<u>6-Year</u> <u>Fraudulent</u> <u>Transfers -</u> <u>Principal</u>	<u>6-Year</u> <u>Fraudulent</u> <u>Transfers -</u> <u>Fictitious</u> <u>Profits</u>	<u>Full History</u> <u>Fraudulent</u> <u>Transfers -</u> <u>Principal</u>	<u>Full History</u> <u>Fraudulent</u> <u>Transfers -</u> <u>Fictitious</u> <u>Profits</u>
9/14/1987	TRANS FROM 10130310 (101303)	282,153 ^[1]	-	-	35,469	-	35,469	-	-	-	-	-	-
4/3/1990	CHECK	(34,000)	-	(34,000)	-	-	1,469	-	-	-	-	(34,000)	-
1/3/1991	CHECK	6	6	-	-	-	1,475	-	-	-	-	-	-
3/20/1991	CHECK	(3,000)	-	(3,000)	-	-	(1,525)	-	-	-	-	-	-
4/1/1991	CANCEL CHECK 03/20/91	3,000	-	3,000	-	-	1,475	-	-	-	-	-	-
4/9/1991	CHECK	(39,000)	-	(39,000)	-	-	(37,525)	-	-	-	-	(39,000)	-
3/30/1994	CHECK	(20,684)	-	(20,684)	-	-	(58,209)	-	-	-	-	(20,684)	-
3/30/1994	CHECK	(45,911)	-	(45,911)	-	-	(104,120)	-	-	-	-	(45,911)	-
5/18/1994	TRANS TO 1M007310 (1M0073)	(300,000) ^[2]	-	-	-	-	(104,120)	-	-	-	-	-	-
12/27/1995	CHECK	504,000	504,000	-	-	-	399,880	-	-	-	-	-	-
5/5/1997	TRANS TO 1M010730 (1M0107)	(1,580,020) ^[3]	-	-	-	(399,880)	-	-	-	-	-	-	-
Total:			\$ 504,006	\$ (139,595)	\$ 35,469	\$ (399,880)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (139,595)	\$ -

^[1] Although BLMIS statements reflect that a larger transfer was made into the account on this date, a portion of the "transferred" funds consisted of fictitious profits which were never achieved and thus could not have been transferred. Accordingly, only the principal remaining in the originating account was transferred into this account on this date.

^[2] Although BLMIS statements reflect that funds were transferred out of this account on this date, these funds consisted entirely of fictitious profits which were never achieved and thus no funds were actually transferred out of the account on this date. Accordingly, the account balance has remained unchanged.

^[3] Although BLMIS statements reflect that a larger transfer was made out of the account on this date, a portion of the "transferred" funds consisted of fictitious profits which were never achieved and thus could not have been transferred. Accordingly, only the principal remaining in the account was transferred out of the account on this date.

BLMIS ACCOUNT NO. 1M0006 - ANDREW MADOFF

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8	Column 9	Column 10	Column 11	Column 12	Column 13	Column 14
		<u>Transaction Amount Reported in Customer Statement</u>											
<u>Date</u>	<u>Transaction Description</u>		<u>Cash Deposits</u>	<u>Cash Withdrawals</u>	<u>Transfers of Principal In</u>	<u>Transfers of Principal Out</u>	<u>Balance of Principal</u>	<u>2-Year Fraudulent Transfers - Principal</u>	<u>2-Year Fraudulent Transfers - Fictitious Profits</u>	<u>6-Year Fraudulent Transfers - Principal</u>	<u>6-Year Fraudulent Transfers - Fictitious Profits</u>	<u>Full History Fraudulent Transfers - Principal</u>	<u>Full History Fraudulent Transfers - Fictitious Profits</u>
9/8/1988	CHECK	30,000	30,000	-	-	-	30,000	-	-	-	-	-	-
9/9/1988	CHECK	(3,000)	-	(3,000)	-	-	27,000	-	-	-	-	(3,000)	-
11/21/1988	CHECK	(2,000)	-	(2,000)	-	-	25,000	-	-	-	-	(2,000)	-
12/22/1988	CHECK	(2,000)	-	(2,000)	-	-	23,000	-	-	-	-	(2,000)	-
2/21/1989	CHECK	(2,000)	-	(2,000)	-	-	21,000	-	-	-	-	(2,000)	-
5/11/1989	CHECK	(2,000)	-	(2,000)	-	-	19,000	-	-	-	-	(2,000)	-
8/22/1989	CHECK	15,000	15,000	-	-	-	34,000	-	-	-	-	-	-
10/19/1989	CHECK	(3,000)	-	(3,000)	-	-	31,000	-	-	-	-	(3,000)	-
2/6/1990	CHECK	(3,000)	-	(3,000)	-	-	28,000	-	-	-	-	(3,000)	-
1/18/1991	CHECK WIRE A/O 01/09/91	(20,000)	-	(20,000)	-	-	8,000	-	-	-	-	(20,000)	-
1/29/1991	CHECK	20,000	20,000	-	-	-	28,000	-	-	-	-	-	-
4/1/1991	CHECK 03/20/91	(3,000)	-	(3,000)	-	-	25,000	-	-	-	-	(3,000)	-
Total:			\$ 65,000	\$ (40,000)	\$ -	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ (40,000)	\$ -

BLMIS ACCOUNT NO. 1M0073 - ANDREW MADOFF & DEBORAH MADOFF J/T WROS

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8	Column 9	Column 10	Column 11	Column 12	Column 13	Column 14
		<u>Transaction Amount Reported in Customer Statement</u>						<u>2-Year Fraudulent Transfers - Principal</u>	<u>2-Year Fraudulent Transfers - Fictitious Profits</u>	<u>6-Year Fraudulent Transfers - Principal</u>	<u>6-Year Fraudulent Transfers - Fictitious Profits</u>	<u>Full History Fraudulent Transfers - Principal</u>	<u>Full History Fraudulent Transfers - Fictitious Profits</u>
<u>Date</u>	<u>Transaction Description</u>		<u>Cash Deposits</u>	<u>Cash Withdrawals</u>	<u>Transfers of Principal In</u>	<u>Transfers of Principal Out</u>	<u>Balance of Principal</u>						
5/18/1994	TRANS FROM 1M000510 (1M0005)	300,000 ^[4]	-	-	-	-	-	-	-	-	-	-	-
4/15/1996	CHECK	(25,000)	-	(25,000)	-	-	(25,000)	-	-	-	-	-	(25,000)
10/17/1996	CHECK WIRE	(100,000)	-	(100,000)	-	-	(125,000)	-	-	-	-	-	(100,000)
5/5/1997	TRANS TO 1M010830 (1M0108)	(377,656) ^[5]	-	-	-	-	(125,000)	-	-	-	-	-	-
Total:			\$ -	\$ (125,000)	\$ -	\$ -	\$ (125,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (125,000)

^[4] Although BLMIS statements reflect that funds were transferred into this account on this date, these funds consisted entirely of fictitious profits which were never achieved and thus no funds were actually transferred into the account on this date. Accordingly, the account balance has remained unchanged.

^[5] Although BLMIS statements reflect that funds were transferred out of this account on this date, these funds consisted entirely of fictitious profits which were never achieved and thus no funds were actually transferred out of the account on this date. Accordingly, the account balance has remained unchanged.

BLMIS ACCOUNT NO. 1M0107 - ANDREW MADOFF

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8	Column 9	Column 10	Column 11	Column 12	Column 13	Column 14
		<u>Transaction</u> <u>Amount</u> <u>Reported in</u> <u>Customer</u> <u>Statement</u>	<u>Cash</u> <u>Deposits</u>	<u>Cash</u> <u>Withdrawals</u>	<u>Transfers of</u> <u>Principal In</u>	<u>Transfers of</u> <u>Principal Out</u>	<u>Balance of</u> <u>Principal</u>	<u>2-Year</u> <u>Fraudulent</u> <u>Transfers -</u> <u>Principal</u>	<u>2-Year</u> <u>Fraudulent</u> <u>Transfers -</u> <u>Fictitious</u> <u>Profits</u>	<u>6-Year</u> <u>Fraudulent</u> <u>Transfers -</u> <u>Principal</u>	<u>6-Year</u> <u>Fraudulent</u> <u>Transfers -</u> <u>Fictitious</u> <u>Profits</u>	<u>Full History</u> <u>Fraudulent</u> <u>Transfers -</u> <u>Principal</u>	<u>Full History</u> <u>Fraudulent</u> <u>Transfers -</u> <u>Fictitious</u> <u>Profits</u>
<u>Date</u>	<u>Transaction</u> <u>Description</u>												
5/5/1997	TRANS FROM 1M000510 (1M0005)	1,580,020 ^[6]	-	-	399,880	-	399,880	-	-	-	-	-	-
4/12/2000	CHECK	(192,000)	-	(192,000)	-	-	207,880	-	-	-	-	(192,000)	-
Total:			\$ -	\$ (192,000)	\$ 399,880	\$ -	\$ 207,880	\$ -	\$ -	\$ -	\$ -	\$ (192,000)	\$ -

^[6] Although BLMIS statements reflect that a larger transfer was made into the account on this date, a portion of the "transferred" funds consisted of fictitious profits which were never achieved and thus could not have been transferred. Accordingly, only the principal remaining in the originating account was transferred into this account on this date.

BLMIS ACCOUNT NO. 1M0108 - ANDREW MADOFF & DEBORAH MADOFF J/T WROS

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8	Column 9	Column 10	Column 11	Column 12	Column 13	Column 14
		<u>Transaction</u> <u>Amount</u> <u>Reported in</u> <u>Customer</u> <u>Statement</u>	<u>Cash</u> <u>Deposits</u>	<u>Cash</u> <u>Withdrawals</u>	<u>Transfers of</u> <u>Principal In</u>	<u>Transfers of</u> <u>Principal Out</u>	<u>Balance of</u> <u>Principal</u>	<u>2-Year</u> <u>Fraudulent</u> <u>Transfers -</u> <u>Fictitious</u> <u>Principal</u>	<u>2-Year</u> <u>Fraudulent</u> <u>Transfers -</u> <u>Fictitious</u> <u>Principal</u>	<u>6-Year</u> <u>Fraudulent</u> <u>Transfers -</u> <u>Fictitious</u> <u>Principal</u>	<u>6-Year</u> <u>Fraudulent</u> <u>Transfers -</u> <u>Fictitious</u> <u>Principal</u>	<u>Full History</u> <u>Fraudulent</u> <u>Transfers -</u> <u>Fictitious</u> <u>Principal</u>	<u>Full History</u> <u>Fraudulent</u> <u>Transfers -</u> <u>Fictitious</u> <u>Principal</u>
<u>Date</u>	<u>Transaction</u> <u>Description</u>												
5/5/1997	TRANS FROM 1M007310 (1M0073)	377,656 ^[7]	-	-	-	-	-	-	-	-	-	-	-
4/12/2000	CHECK	(58,000)	-	(58,000)	-	-	(58,000)	-	-	-	-	-	(58,000)
Total:			\$ -	\$ (58,000)	\$ -	\$ -	\$ (58,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (58,000)

^[7] Although BLMIS statements reflect that funds were transferred into this account on this date, these funds consisted entirely of fictitious profits which were never achieved and thus no funds were actually transferred into the account on this date. Accordingly, the account balance has remained unchanged.

BLMIS ACCOUNT NO. 1M0140 - ANDREW H MADOFF

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8	Column 9	Column 10	Column 11	Column 12	Column 13	Column 14
		<u>Transaction Amount Reported in Customer Statement</u>	<u>Cash Deposits</u>	<u>Cash Withdrawals</u>	<u>Transfers of Principal In</u>	<u>Transfers of Principal Out</u>	<u>Balance of Principal</u>	<u>2-Year Fraudulent Transfers - Principal</u>	<u>2-Year Fraudulent Transfers - Fictitious Profits</u>	<u>6-Year Fraudulent Transfers - Principal</u>	<u>6-Year Fraudulent Transfers - Fictitious Profits</u>	<u>Full History Fraudulent Transfers - Principal</u>	<u>Full History Fraudulent Transfers - Fictitious Profits</u>
<u>Date</u>	<u>Transaction Description</u>												
7/22/1998	TRANS TO BERNARD L MADOFF	(28,795)	-	(28,795)	-	-	(28,795)	-	-	-	-	-	(28,795)
7/24/1998	CHECK WIRE	(1,956,205)	-	(1,956,205)	-	-	(1,985,000)	-	-	-	-	-	(1,956,205)
4/3/2002	CHECK WIRE	(5,331,853)	-	(5,331,853)	-	-	(7,316,853)	-	-	-	-	-	(5,331,853)
4/20/2004	CHECK WIRE	(400,000)	-	(400,000)	-	-	(7,716,853)	-	-	-	(400,000)	-	(400,000)
4/26/2004	CHECK WIRE	(500,000)	-	(500,000)	-	-	(8,216,853)	-	-	-	(500,000)	-	(500,000)
5/7/2004	CHECK WIRE	(2,000,000)	-	(2,000,000)	-	-	(10,216,853)	-	-	-	(2,000,000)	-	(2,000,000)
5/7/2004	CHECK WIRE	(1,719,406)	-	(1,719,406)	-	-	(11,936,259)	-	-	-	(1,719,406)	-	(1,719,406)
5/7/2004	CHECK WIRE	(500,000) ^[8]	-	(500,000)	-	-	(12,436,259)	-	-	-	(500,000)	-	(500,000)
5/7/2004	CHECK WIRE	(2,200,000)	-	(2,200,000)	-	-	(14,636,259)	-	-	-	(2,200,000)	-	(2,200,000)
Total:			\$ -	\$ (14,636,259)	\$ -	\$ -	\$ (14,636,259)	\$ -	\$ -	\$ -	\$ (7,319,406)	\$ -	\$ (14,636,259)

^[8] This withdrawal was paid directly to The Deborah and Andrew Madoff Foundation and is excluded from the total transfers alleged against Andrew Madoff, pursuant to resolution.

BLMIS ACCOUNT NO. 1M0141 - CHILDREN OF ANDREW H MADOFF U/A 11/15/93 MARK D MADOFF TRUSTEE

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8	Column 9	Column 10	Column 11	Column 12	Column 13	Column 14
		<u>Transaction Amount</u>						<u>2-Year</u>	<u>2-Year</u>	<u>6-Year</u>	<u>6-Year</u>	<u>Full History</u>	<u>Full History</u>
<u>Date</u>	<u>Transaction Description</u>	<u>Reported in</u>	<u>Cash</u>	<u>Cash</u>	<u>Transfers of</u>	<u>Transfers of</u>	<u>Balance of</u>	<u>Fraudulent</u>	<u>Fraudulent</u>	<u>Fraudulent</u>	<u>Fraudulent</u>	<u>Fraudulent</u>	<u>Fraudulent</u>
		<u>Customer Statement</u>	<u>Deposits</u>	<u>Withdrawals</u>	<u>Principal In</u>	<u>Principal Out</u>	<u>Principal</u>	<u>Transfers -</u>	<u>Fictitious</u>	<u>Transfers -</u>	<u>Fictitious</u>	<u>Transfers -</u>	<u>Fictitious</u>
								<u>Principal</u>	<u>Profits</u>	<u>Principal</u>	<u>Profits</u>	<u>Principal</u>	<u>Profits</u>
7/22/1998	TRANS TO BERNARD L MADOFF	(28,795)	-	(28,795)	-	-	(28,795)	-	-	-	-	-	(28,795)
7/24/1998	CHECK WIRE	(1,956,205)	-	(1,956,205)	-	-	(1,985,000)	-	-	-	-	-	(1,956,205)
Total:			\$ -	\$ (1,985,000)	\$ -	\$ -	\$ (1,985,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,985,000)

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ANDREW MADOFF COMPENSATION

<u>Date</u>	<u>Type</u>	<u>Transferee</u>	<u>Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
12/29/1993	Salary	Andrew Madoff	105,500	-	-	-	105,500
12/29/1993	Bonus / Other Earnings	Andrew Madoff	10,000	-	-	-	10,000
12/29/1994	Salary	Andrew Madoff	130,000	-	-	-	130,000
12/29/1994	Bonus / Other Earnings	Andrew Madoff	30,000	-	-	-	30,000
12/27/1995	Salary	Andrew Madoff	153,500	-	-	-	153,500
12/27/1995	Bonus / Other Earnings	Andrew Madoff	10,000	-	-	-	10,000
12/25/1996	Salary	Andrew Madoff	166,000	-	-	-	166,000
12/25/1996	Bonus / Other Earnings	Andrew Madoff	120,000	-	-	-	120,000
12/31/1997	Salary	Andrew Madoff	159,000	-	-	-	159,000
12/31/1997	Bonus / Other Earnings	Andrew Madoff	574,000	-	-	-	574,000
1/7/1998	Salary	Andrew Madoff	3,000	-	-	-	3,000
1/14/1998	Salary	Andrew Madoff	3,000	-	-	-	3,000
1/21/1998	Salary	Andrew Madoff	3,000	-	-	-	3,000
1/28/1998	Salary	Andrew Madoff	3,000	-	-	-	3,000
1/28/1998	Bonus / Other Earnings	Andrew Madoff	10,000	-	-	-	10,000
2/4/1998	Salary	Andrew Madoff	3,000	-	-	-	3,000
2/11/1998	Salary	Andrew Madoff	3,000	-	-	-	3,000
2/18/1998	Salary	Andrew Madoff	3,000	-	-	-	3,000
2/25/1998	Salary	Andrew Madoff	3,000	-	-	-	3,000
3/4/1998	Salary	Andrew Madoff	3,000	-	-	-	3,000
3/11/1998	Salary	Andrew Madoff	3,000	-	-	-	3,000
3/11/1998	Bonus / Other Earnings	Andrew Madoff	498,000	-	-	-	498,000
3/18/1998	Salary	Andrew Madoff	3,000	-	-	-	3,000
3/25/1998	Salary	Andrew Madoff	3,000	-	-	-	3,000
4/1/1998	Salary	Andrew Madoff	3,000	-	-	-	3,000
4/8/1998	Salary	Andrew Madoff	3,000	-	-	-	3,000
4/15/1998	Salary	Andrew Madoff	3,000	-	-	-	3,000
4/22/1998	Salary	Andrew Madoff	3,000	-	-	-	3,000
4/29/1998	Salary	Andrew Madoff	3,000	-	-	-	3,000
5/6/1998	Salary	Andrew Madoff	3,000	-	-	-	3,000
5/13/1998	Salary	Andrew Madoff	3,000	-	-	-	3,000
5/20/1998	Salary	Andrew Madoff	3,000	-	-	-	3,000
5/27/1998	Salary	Andrew Madoff	3,000	-	-	-	3,000
6/3/1998	Salary	Andrew Madoff	3,000	-	-	-	3,000
6/10/1998	Salary	Andrew Madoff	3,000	-	-	-	3,000
6/17/1998	Salary	Andrew Madoff	3,000	-	-	-	3,000
6/24/1998	Salary	Andrew Madoff	3,000	-	-	-	3,000
7/1/1998	Salary	Andrew Madoff	3,000	-	-	-	3,000
7/8/1998	Salary	Andrew Madoff	3,000	-	-	-	3,000
7/15/1998	Salary	Andrew Madoff	3,000	-	-	-	3,000
7/22/1998	Salary	Andrew Madoff	3,000	-	-	-	3,000
7/29/1998	Salary	Andrew Madoff	3,000	-	-	-	3,000
8/5/1998	Salary	Andrew Madoff	3,000	-	-	-	3,000
8/12/1998	Salary	Andrew Madoff	3,000	-	-	-	3,000
8/19/1998	Salary	Andrew Madoff	3,000	-	-	-	3,000
8/26/1998	Salary	Andrew Madoff	3,000	-	-	-	3,000

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ANDREW MADOFF COMPENSATION

<u>Date</u>	<u>Type</u>	<u>Transferee</u>	<u>Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
9/2/1998	Salary	Andrew Madoff	3,000	-	-	-	3,000
9/9/1998	Salary	Andrew Madoff	3,000	-	-	-	3,000
9/16/1998	Salary	Andrew Madoff	3,000	-	-	-	3,000
9/23/1998	Salary	Andrew Madoff	3,000	-	-	-	3,000
9/30/1998	Salary	Andrew Madoff	3,000	-	-	-	3,000
10/7/1998	Salary	Andrew Madoff	5,000	-	-	-	5,000
10/14/1998	Salary	Andrew Madoff	5,000	-	-	-	5,000
10/21/1998	Salary	Andrew Madoff	5,000	-	-	-	5,000
10/28/1998	Salary	Andrew Madoff	5,000	-	-	-	5,000
11/4/1998	Salary	Andrew Madoff	5,000	-	-	-	5,000
11/11/1998	Salary	Andrew Madoff	5,000	-	-	-	5,000
11/18/1998	Salary	Andrew Madoff	5,000	-	-	-	5,000
11/25/1998	Salary	Andrew Madoff	5,000	-	-	-	5,000
12/2/1998	Salary	Andrew Madoff	5,000	-	-	-	5,000
12/9/1998	Salary	Andrew Madoff	5,000	-	-	-	5,000
12/16/1998	Salary	Andrew Madoff	5,000	-	-	-	5,000
12/23/1998	Salary	Andrew Madoff	5,000	-	-	-	5,000
12/30/1998	Salary	Andrew Madoff	5,000	-	-	-	5,000
1/6/1999	Salary	Andrew Madoff	5,000	-	-	-	5,000
1/13/1999	Salary	Andrew Madoff	5,000	-	-	-	5,000
1/20/1999	Salary	Andrew Madoff	5,000	-	-	-	5,000
1/27/1999	Salary	Andrew Madoff	5,000	-	-	-	5,000
1/27/1999	Bonus / Other Earnings	Andrew Madoff	10,000	-	-	-	10,000
2/3/1999	Salary	Andrew Madoff	5,000	-	-	-	5,000
2/10/1999	Salary	Andrew Madoff	5,000	-	-	-	5,000
2/17/1999	Salary	Andrew Madoff	5,000	-	-	-	5,000
2/24/1999	Salary	Andrew Madoff	5,000	-	-	-	5,000
3/3/1999	Salary	Andrew Madoff	5,000	-	-	-	5,000
3/10/1999	Salary	Andrew Madoff	5,000	-	-	-	5,000
3/17/1999	Salary	Andrew Madoff	5,000	-	-	-	5,000
3/24/1999	Salary	Andrew Madoff	5,000	-	-	-	5,000
3/31/1999	Salary	Andrew Madoff	9,615	-	-	-	9,615
4/7/1999	Salary	Andrew Madoff	9,615	-	-	-	9,615
4/14/1999	Salary	Andrew Madoff	9,615	-	-	-	9,615
4/21/1999	Salary	Andrew Madoff	9,615	-	-	-	9,615
4/28/1999	Salary	Andrew Madoff	9,615	-	-	-	9,615
5/5/1999	Salary	Andrew Madoff	9,615	-	-	-	9,615
5/12/1999	Salary	Andrew Madoff	9,615	-	-	-	9,615
5/19/1999	Salary	Andrew Madoff	9,615	-	-	-	9,615
5/26/1999	Salary	Andrew Madoff	9,615	-	-	-	9,615
6/2/1999	Salary	Andrew Madoff	9,615	-	-	-	9,615
6/9/1999	Salary	Andrew Madoff	9,615	-	-	-	9,615
6/16/1999	Salary	Andrew Madoff	9,615	-	-	-	9,615
6/23/1999	Salary	Andrew Madoff	9,615	-	-	-	9,615
6/30/1999	Salary	Andrew Madoff	9,615	-	-	-	9,615
7/7/1999	Salary	Andrew Madoff	9,615	-	-	-	9,615

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ANDREW MADOFF COMPENSATION

<u>Date</u>	<u>Type</u>	<u>Transferee</u>	<u>Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
7/14/1999	Salary	Andrew Madoff	9,615	-	-	-	9,615
7/21/1999	Salary	Andrew Madoff	9,615	-	-	-	9,615
7/28/1999	Salary	Andrew Madoff	9,615	-	-	-	9,615
8/4/1999	Salary	Andrew Madoff	9,615	-	-	-	9,615
8/11/1999	Salary	Andrew Madoff	9,615	-	-	-	9,615
8/18/1999	Salary	Andrew Madoff	9,615	-	-	-	9,615
8/25/1999	Salary	Andrew Madoff	9,615	-	-	-	9,615
9/1/1999	Salary	Andrew Madoff	9,615	-	-	-	9,615
9/8/1999	Salary	Andrew Madoff	9,615	-	-	-	9,615
9/15/1999	Salary	Andrew Madoff	9,615	-	-	-	9,615
9/22/1999	Salary	Andrew Madoff	9,615	-	-	-	9,615
9/29/1999	Salary	Andrew Madoff	9,615	-	-	-	9,615
10/6/1999	Salary	Andrew Madoff	9,615	-	-	-	9,615
10/13/1999	Salary	Andrew Madoff	9,615	-	-	-	9,615
10/20/1999	Salary	Andrew Madoff	9,615	-	-	-	9,615
10/27/1999	Salary	Andrew Madoff	9,615	-	-	-	9,615
11/3/1999	Salary	Andrew Madoff	9,615	-	-	-	9,615
11/10/1999	Salary	Andrew Madoff	9,615	-	-	-	9,615
11/17/1999	Salary	Andrew Madoff	9,615	-	-	-	9,615
11/24/1999	Salary	Andrew Madoff	9,615	-	-	-	9,615
12/1/1999	Salary	Andrew Madoff	9,615	-	-	-	9,615
12/8/1999	Salary	Andrew Madoff	9,615	-	-	-	9,615
12/15/1999	Salary	Andrew Madoff	9,615	-	-	-	9,615
12/22/1999	Salary	Andrew Madoff	9,615	-	-	-	9,615
12/29/1999	Salary	Andrew Madoff	9,615	-	-	-	9,615
1/5/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
1/12/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
1/19/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
1/26/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
1/26/2000	Bonus / Other Earnings	Andrew Madoff	10,000	-	-	-	10,000
2/2/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
2/9/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
2/16/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
2/23/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
3/1/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
3/8/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
3/15/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
3/22/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
3/29/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
4/5/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
4/12/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
4/19/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
4/26/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
5/3/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
5/10/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
5/17/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615

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ANDREW MADOFF COMPENSATION

<u>Date</u>	<u>Type</u>	<u>Transferee</u>	<u>Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
5/24/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
5/31/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
6/7/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
6/14/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
6/21/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
6/28/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
7/5/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
7/12/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
7/19/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
7/26/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
8/2/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
8/9/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
8/16/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
8/23/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
8/30/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
9/6/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
9/13/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
9/20/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
9/27/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
10/4/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
10/11/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
10/18/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
10/25/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
11/1/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
11/8/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
11/15/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
11/22/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
11/29/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
12/6/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
12/13/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
12/20/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
12/27/2000	Salary	Andrew Madoff	9,615	-	-	-	9,615
1/3/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
1/10/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
1/17/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
1/24/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
1/31/2001	Salary	Andrew Madoff	19,230	-	-	-	19,230
1/31/2001	Bonus / Other Earnings	Andrew Madoff	3,000,000	-	-	-	3,000,000
2/7/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
2/14/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
2/21/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
2/28/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
3/7/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
3/14/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
3/21/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
3/28/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615

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ANDREW MADOFF COMPENSATION

<u>Date</u>	<u>Type</u>	<u>Transferee</u>	<u>Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
4/4/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
4/11/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
4/18/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
4/25/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
5/2/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
5/9/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
5/16/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
5/23/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
5/30/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
6/6/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
6/13/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
6/20/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
6/27/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
7/3/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
7/11/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
7/18/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
7/25/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
8/1/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
8/8/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
8/15/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
8/22/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
8/29/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
9/5/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
9/12/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
9/19/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
9/26/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
10/3/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
10/10/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
10/17/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
10/24/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
10/31/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
11/7/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
11/14/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
11/21/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
11/28/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
12/5/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
12/12/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
12/19/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
12/26/2001	Salary	Andrew Madoff	9,615	-	-	-	9,615
1/2/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
1/9/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
1/16/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
1/23/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
1/30/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
1/30/2002	Bonus / Other Earnings	Andrew Madoff	10,000	-	-	-	10,000
2/6/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615

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ANDREW MADOFF COMPENSATION

<u>Date</u>	<u>Type</u>	<u>Transferee</u>	<u>Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
2/13/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
2/20/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
2/27/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
3/6/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
3/13/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
3/14/2002	Bonus / Other Earnings	Andrew Madoff	3,000,000	-	-	-	3,000,000
3/20/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
3/27/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
4/3/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
4/10/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
4/17/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
4/24/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
5/1/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
5/8/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
5/15/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
5/22/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
5/29/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
6/5/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
6/12/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
6/19/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
6/26/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
7/3/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
7/10/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
7/17/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
7/24/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
7/31/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
8/7/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
8/14/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
8/21/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
8/28/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
9/4/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
9/11/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
9/18/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
9/25/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
10/2/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
10/9/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
10/16/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
10/23/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
10/30/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
11/6/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
11/13/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
11/20/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
11/27/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
12/4/2002	Salary	Andrew Madoff	9,615	-	-	-	9,615
12/11/2002	Salary	Andrew Madoff	9,615	-	-	9,615	-
12/18/2002	Salary	Andrew Madoff	9,615	-	-	9,615	-

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ANDREW MADOFF COMPENSATION

<u>Date</u>	<u>Type</u>	<u>Transferee</u>	<u>Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
12/24/2002	Salary	Andrew Madoff	9,615	-	-	9,615	-
1/1/2003	Salary	Andrew Madoff	9,615	-	-	9,615	-
1/8/2003	Salary	Andrew Madoff	9,615	-	-	9,615	-
1/15/2003	Salary	Andrew Madoff	9,615	-	-	9,615	-
1/22/2003	Salary	Andrew Madoff	9,615	-	-	9,615	-
1/29/2003	Salary	Andrew Madoff	9,615	-	-	9,615	-
1/29/2003	Bonus / Other Earnings	Andrew Madoff	15,000	-	-	15,000	-
2/5/2003	Salary	Andrew Madoff	9,615	-	-	9,615	-
2/12/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
2/19/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
2/26/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
3/5/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
3/12/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
3/19/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
3/26/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
4/2/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
4/9/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
4/16/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
4/23/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
4/30/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
5/2/2003	Salary	Andrew Madoff	8,000	-	-	8,000	-
5/9/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
5/16/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
5/23/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
5/30/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
6/6/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
6/13/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
6/20/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
6/27/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
7/3/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
7/11/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
7/18/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
7/25/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
8/1/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
8/8/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
8/18/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
8/22/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
8/29/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
9/5/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
9/12/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
9/19/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
9/26/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
10/3/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
10/10/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
10/17/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
10/24/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-

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ANDREW MADOFF COMPENSATION

<u>Date</u>	<u>Type</u>	<u>Transferee</u>	<u>Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
10/31/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
11/7/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
11/14/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
11/21/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
11/28/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
12/5/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
12/12/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
12/19/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
12/26/2003	Salary	Andrew Madoff	20,000	-	-	20,000	-
1/2/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
1/9/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
1/16/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
1/23/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
1/30/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
1/30/2004	Bonus / Other Earnings	Andrew Madoff	20,000	-	-	20,000	-
2/6/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
2/13/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
2/20/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
2/27/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
3/5/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
3/12/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
3/19/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
3/26/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
4/2/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
4/9/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
4/16/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
4/23/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
4/30/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
5/7/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
5/14/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
5/21/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
5/28/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
6/4/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
6/11/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
6/18/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
6/25/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
7/2/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
7/9/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
7/16/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
7/23/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
7/30/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
8/6/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
8/13/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
8/20/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
8/27/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
9/3/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-

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ANDREW MADOFF COMPENSATION

<u>Date</u>	<u>Type</u>	<u>Transferee</u>	<u>Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
9/10/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
9/17/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
9/24/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
10/1/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
10/8/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
10/15/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
10/22/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
10/29/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
11/5/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
11/12/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
11/19/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
11/26/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
12/3/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
12/10/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
12/17/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
12/23/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
12/30/2004	Salary	Andrew Madoff	20,000	-	-	20,000	-
1/7/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
1/7/2005	Bonus / Deferred Compensation / Other Earnings	Andrew Madoff	20,000	-	-	20,000	-
1/14/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
1/21/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
1/28/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
2/4/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
2/11/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
2/18/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
2/25/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
3/4/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
3/10/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
3/18/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
3/25/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
4/1/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
4/8/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
4/15/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
4/22/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
4/29/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
5/6/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
5/13/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
5/20/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
5/27/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
6/3/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
6/10/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
6/17/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
6/24/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
7/1/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
7/8/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
7/15/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-

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ANDREW MADOFF COMPENSATION

<u>Date</u>	<u>Type</u>	<u>Transferee</u>	<u>Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
7/22/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
7/29/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
8/5/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
8/12/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
8/19/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
8/26/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
9/2/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
9/9/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
9/16/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
9/23/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
9/30/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
10/7/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
10/14/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
10/21/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
10/28/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
11/4/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
11/10/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
11/18/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
11/25/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
12/2/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
12/9/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
12/9/2005	Bonus / Deferred Compensation / Other Earnings	Andrew Madoff	3,000,000	-	-	3,000,000	-
12/16/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
12/23/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
12/30/2005	Salary	Andrew Madoff	20,000	-	-	20,000	-
1/6/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
1/6/2006	Bonus / Deferred Compensation / Other Earnings	Andrew Madoff	20,000	-	-	20,000	-
1/13/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
1/20/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
1/27/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
2/3/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
2/10/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
2/17/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
2/24/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
3/3/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
3/10/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
3/17/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
3/23/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
3/31/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
4/7/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
4/7/2006	Bonus / Deferred Compensation / Other Earnings	Andrew Madoff	1,000,000	-	-	1,000,000	-
4/13/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
4/21/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
4/28/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
5/5/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
5/12/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-

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ANDREW MADOFF COMPENSATION

<u>Date</u>	<u>Type</u>	<u>Transferee</u>	<u>Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
5/19/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
5/26/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
6/2/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
6/9/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
6/16/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
6/16/2006	Bonus / Deferred Compensation / Other Earnings	Andrew Madoff	3,800,000	-	-	3,800,000	-
6/23/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
6/30/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
7/7/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
7/14/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
7/21/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
7/28/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
8/4/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
8/11/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
8/18/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
8/25/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
9/1/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
9/8/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
9/15/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
9/22/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
9/29/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
10/6/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
10/13/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
10/20/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
10/27/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
11/3/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
11/10/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
11/17/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
11/24/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
12/1/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
12/8/2006	Salary	Andrew Madoff	20,000	-	-	20,000	-
12/15/2006	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
12/22/2006	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
12/29/2006	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
1/5/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
1/5/2007	Bonus / Deferred Compensation / Other Earnings	Andrew Madoff	20,000	-	20,000	20,000	-
1/12/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
1/19/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
1/26/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
2/2/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
2/9/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
2/16/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
2/23/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
3/2/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
3/2/2007	Bonus / Deferred Compensation / Other Earnings	Andrew Madoff	1,000,000	-	1,000,000	1,000,000	-
3/9/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-

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ANDREW MADOFF COMPENSATION

<u>Date</u>	<u>Type</u>	<u>Transferee</u>	<u>Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
3/9/2007	Bonus / Deferred Compensation / Other Earnings	Andrew Madoff	4,000,000	-	4,000,000	4,000,000	-
3/16/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
3/23/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
3/30/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
4/5/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
4/13/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
4/20/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
4/27/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
5/4/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
5/11/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
5/18/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
5/25/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
6/1/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
6/8/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
6/15/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
6/15/2007	Bonus / Deferred Compensation / Other Earnings	Andrew Madoff	4,000,000	-	4,000,000	4,000,000	-
6/22/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
6/29/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
7/6/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
7/13/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
7/20/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
7/27/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
8/3/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
8/10/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
8/17/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
8/24/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
8/31/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
9/7/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
9/14/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
9/21/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
9/28/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
10/5/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
10/12/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
10/19/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
10/26/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
11/2/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
11/9/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
11/16/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
11/23/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
11/30/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
12/7/2007	Salary	Andrew Madoff	20,000	-	20,000	20,000	-
12/14/2007	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
12/21/2007	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
12/28/2007	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
1/4/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
1/4/2008	Bonus / Other Earnings	Andrew Madoff	25,000	25,000	25,000	25,000	-

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ANDREW MADOFF COMPENSATION

<u>Date</u>	<u>Type</u>	<u>Transferee</u>	<u>Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
1/11/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
1/18/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
1/25/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
2/1/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
2/8/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
2/15/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
2/22/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
2/29/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
3/7/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
3/14/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
3/21/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
3/28/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
4/4/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
4/11/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
4/18/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
4/25/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
5/2/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
5/9/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
5/16/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
5/23/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
5/30/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
6/6/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
6/13/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
6/20/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
6/27/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
7/3/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
7/11/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
7/18/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
7/25/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
8/1/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
8/8/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
8/15/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
8/22/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
8/29/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
9/5/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
9/12/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
9/19/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
9/26/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
10/3/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
10/10/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
10/17/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
10/24/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
10/31/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
11/7/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
11/14/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
11/21/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-

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ANDREW MADOFF COMPENSATION

<u>Date</u>	<u>Type</u>	<u>Transferee</u>	<u>Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
11/28/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
12/5/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
12/12/2008	Salary	Andrew Madoff	20,000	20,000	20,000	20,000	-
12/12/2008	Bonus / Other Earnings	Andrew Madoff	1,000,000	1,000,000	1,000,000	1,000,000	-
Total:			\$ 34,217,845	\$ 2,085,000	\$ 12,145,000	\$ 24,114,535	\$ 10,103,310

OTHER TRANSFERS TO OR FOR THE BENEFIT OF ANDREW MADOFF

<u>Date</u>	<u>Transferee</u>	<u>Comments</u>	<u>Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
4/17/1995	Sidney Howard Urquhart	FBO Andrew Madoff	1,440,000	-	-	-	1,440,000
4/17/1995	131 E. 66th St. Corporation	FBO Andrew Madoff	32,000	-	-	-	32,000
4/17/1995	NYS Department of Taxation and Finance	FBO Andrew Madoff	16,000	-	-	-	16,000
10/21/1996	Unknown	FBO Andrew Madoff	300,000	-	-	-	300,000
12/18/1998	MSIL	FBO Andrew Madoff	5,000,000	-	-	-	5,000,000
4/14/1999	Andrew Madoff		750	-	-	-	750
1/10/2001	Andrew Madoff		10,000	-	-	-	10,000
1/10/2001	Andrew Madoff		10,000	-	-	-	10,000
1/11/2001	Financial Auction Network	FBO Andrew Madoff	779,625	-	-	-	779,625
3/13/2001	Lock & Hackle	FBO Andrew Madoff	10,000	-	-	-	10,000
6/29/2001	Lock & Hackle	FBO Andrew Madoff	10,000	-	-	-	10,000
1/8/2002	Andrew Madoff		20,000	-	-	-	20,000
1/10/2002	Andrew Madoff		980,000	-	-	-	980,000
1/30/2002	Lock & Hackle	FBO Andrew Madoff	55,000	-	-	-	55,000
5/2/2002	American Express	FBO Andrew Madoff	8,081	-	-	-	8,081
5/7/2002	Andrew Madoff		500,000	-	-	-	500,000
6/4/2002	American Express	FBO Andrew Madoff	11,124	-	-	-	11,124
7/3/2002	American Express	FBO Andrew Madoff	1,464	-	-	-	1,464
7/12/2002	Beacon Point Marine	FBO Andrew Madoff	68,900	-	-	-	68,900
8/2/2002	American Express	FBO Andrew Madoff	28,584	-	-	-	28,584
8/2/2002	American Express	FBO Andrew Madoff	253	-	-	-	253
9/3/2002	American Express	FBO Andrew Madoff	2,767	-	-	-	2,767
9/3/2002	American Express	FBO Andrew Madoff	627	-	-	-	627
10/4/2002	American Express	FBO Andrew Madoff	5,439	-	-	-	5,439
11/5/2002	American Express	FBO Andrew Madoff	3,615	-	-	-	3,615
12/4/2002	American Express	FBO Andrew Madoff	34,740	-	-	-	34,740
12/4/2002	American Express	FBO Andrew Madoff	-	-	-	-	-
1/7/2003	American Express	FBO Andrew Madoff	13,463	-	-	13,463	-
2/5/2003	American Express	FBO Andrew Madoff	13,890	-	-	13,890	-
2/5/2003	American Express	FBO Andrew Madoff	150	-	-	150	-
3/4/2003	American Express	FBO Andrew Madoff	11,688	-	-	11,688	-
4/4/2003	American Express	FBO Andrew Madoff	11,398	-	-	11,398	-
4/10/2003	Beacon Point Marine	FBO Andrew Madoff	12,000	-	-	12,000	-
5/5/2003	American Express	FBO Andrew Madoff	12,148	-	-	12,148	-
5/28/2003	Andrew Madoff		4,114	-	-	4,114	-
6/2/2003	American Express	FBO Andrew Madoff	988	-	-	988	-
6/2/2003	American Express	FBO Andrew Madoff	539	-	-	539	-
7/3/2003	American Express	FBO Andrew Madoff	28,646	-	-	28,646	-
7/3/2003	American Express	FBO Andrew Madoff	2,582	-	-	2,582	-
8/4/2003	American Express	FBO Andrew Madoff	6,574	-	-	6,574	-
9/3/2003	American Express	FBO Andrew Madoff	22,284	-	-	22,284	-
9/3/2003	American Express	FBO Andrew Madoff	504	-	-	504	-
10/3/2003	American Express	FBO Andrew Madoff	2,548	-	-	2,548	-
11/4/2003	American Express	FBO Andrew Madoff	6,998	-	-	6,998	-
11/4/2003	American Express	FBO Andrew Madoff	315	-	-	315	-
11/25/2003	Andrew Madoff		6,800,000	-	-	6,800,000	-

OTHER TRANSFERS TO OR FOR THE BENEFIT OF ANDREW MADOFF

<u>Date</u>	<u>Transferee</u>	<u>Comments</u>	<u>Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
12/3/2003	American Express	FBO Andrew Madoff	15,899	-	-	15,899	-
1/6/2004	American Express	FBO Andrew Madoff	7,863	-	-	7,863	-
1/9/2004	Andrew Madoff		10,000	-	-	10,000	-
1/9/2004	Andrew Madoff		10,000	-	-	10,000	-
1/12/2004	Andrew Madoff		25,000	-	-	25,000	-
2/4/2004	American Express	FBO Andrew Madoff	9,848	-	-	9,848	-
2/4/2004	American Express	FBO Andrew Madoff	150	-	-	150	-
2/26/2004	American Express	FBO Andrew Madoff	2,893	-	-	2,893	-
3/24/2004	American Express	FBO Andrew Madoff	14,554	-	-	14,554	-
5/4/2004	American Express	FBO Andrew Madoff	4,759	-	-	4,759	-
6/2/2004	American Express	FBO Andrew Madoff	(9,735)	-	-	(9,735)	-
7/2/2004	American Express	FBO Andrew Madoff	4,374	-	-	4,374	-
7/2/2004	American Express	FBO Andrew Madoff	38	-	-	38	-
8/3/2004	American Express	FBO Andrew Madoff	6,106	-	-	6,106	-
9/2/2004	American Express	FBO Andrew Madoff	3,913	-	-	3,913	-
10/5/2004	American Express	FBO Andrew Madoff	8,597	-	-	8,597	-
11/2/2004	American Express	FBO Andrew Madoff	9,388	-	-	9,388	-
12/3/2004	American Express	FBO Andrew Madoff	15,817	-	-	15,817	-
1/4/2005	American Express	FBO Andrew Madoff	2,427	-	-	2,427	-
1/24/2005	Andrew Madoff		10,000	-	-	10,000	-
1/24/2005	Andrew Madoff		10,000	-	-	10,000	-
2/3/2005	American Express	FBO Andrew Madoff	2,577	-	-	2,577	-
2/3/2005	American Express	FBO Andrew Madoff	150	-	-	150	-
3/4/2005	American Express	FBO Andrew Madoff	2,047	-	-	2,047	-
4/5/2005	American Express	FBO Andrew Madoff	25,834	-	-	25,834	-
5/4/2005	American Express	FBO Andrew Madoff	20,128	-	-	20,128	-
6/2/2005	American Express	FBO Andrew Madoff	4,358	-	-	4,358	-
7/5/2005	American Express	FBO Andrew Madoff	3,231	-	-	3,231	-
7/5/2005	American Express	FBO Andrew Madoff	38	-	-	38	-
8/3/2005	American Express	FBO Andrew Madoff	1,095	-	-	1,095	-
9/2/2005	American Express	FBO Andrew Madoff	9,939	-	-	9,939	-
10/6/2005	American Express	FBO Andrew Madoff	6,017	-	-	6,017	-
11/4/2005	American Express	FBO Andrew Madoff	(43)	-	-	(43)	-
12/2/2005	American Express	FBO Andrew Madoff	14,987	-	-	14,987	-
1/4/2006	American Express	FBO Andrew Madoff	28,096	-	-	28,096	-
2/3/2006	American Express	FBO Andrew Madoff	5,535	-	-	5,535	-
2/3/2006	American Express	FBO Andrew Madoff	150	-	-	150	-
2/8/2006	Andrew Madoff		11,000	-	-	11,000	-
2/8/2006	Andrew Madoff		11,000	-	-	11,000	-
3/3/2006	American Express	FBO Andrew Madoff	7,271	-	-	7,271	-
4/4/2006	American Express	FBO Andrew Madoff	29,381	-	-	29,381	-
5/3/2006	American Express	FBO Andrew Madoff	4,210	-	-	4,210	-
6/6/2006	American Express	FBO Andrew Madoff	14,388	-	-	14,388	-
7/6/2006	American Express	FBO Andrew Madoff	3,794	-	-	3,794	-
7/6/2006	American Express	FBO Andrew Madoff	38	-	-	38	-
8/4/2006	American Express	FBO Andrew Madoff	9,037	-	-	9,037	-

OTHER TRANSFERS TO OR FOR THE BENEFIT OF ANDREW MADOFF

<u>Date</u>	<u>Transferee</u>	<u>Comments</u>	<u>Transfer Amount</u>	<u>1-Year Preferential Transfers</u>	<u>2-Year Transfers</u>	<u>6-Year Transfers</u>	<u>Prior to 6-Year Transfers</u>
9/7/2006	American Express	FBO Andrew Madoff	3,072	-	-	3,072	-
10/5/2006	American Express	FBO Andrew Madoff	12,709	-	-	12,709	-
11/6/2006	American Express	FBO Andrew Madoff	16,398	-	-	16,398	-
12/6/2006	American Express	FBO Andrew Madoff	11,907	-	-	11,907	-
1/5/2007	American Express	FBO Andrew Madoff	796	-	796	796	-
1/9/2007	Andrew Madoff		11,000	-	11,000	11,000	-
1/9/2007	Andrew Madoff		11,000	-	11,000	11,000	-
2/7/2007	American Express	FBO Andrew Madoff	7,116	-	7,116	7,116	-
2/7/2007	American Express	FBO Andrew Madoff	150	-	150	150	-
3/7/2007	American Express	FBO Andrew Madoff	16,291	-	16,291	16,291	-
4/3/2007	American Express	FBO Andrew Madoff	4,179	-	4,179	4,179	-
5/3/2007	American Express	FBO Andrew Madoff	14,352	-	14,352	14,352	-
6/4/2007	American Express	FBO Andrew Madoff	14,799	-	14,799	14,799	-
7/5/2007	American Express	FBO Andrew Madoff	4,457	-	4,457	4,457	-
7/5/2007	American Express	FBO Andrew Madoff	43	-	43	43	-
8/7/2007	American Express	FBO Andrew Madoff	8,756	-	8,756	8,756	-
9/5/2007	American Express	FBO Andrew Madoff	1,994	-	1,994	1,994	-
10/4/2007	American Express	FBO Andrew Madoff	10,418	-	10,418	10,418	-
10/30/2007	American Express	FBO Andrew Madoff	16,375	-	16,375	16,375	-
12/5/2007	American Express	FBO Andrew Madoff	8,255	-	8,255	8,255	-
1/4/2008	American Express	FBO Andrew Madoff	7,231	7,231	7,231	7,231	-
2/1/2008	American Express	FBO Andrew Madoff	8,273	8,273	8,273	8,273	-
2/1/2008	American Express	FBO Andrew Madoff	200	200	200	200	-
3/3/2008	American Express	FBO Andrew Madoff	7,819	7,819	7,819	7,819	-
4/1/2008	American Express	FBO Andrew Madoff	41,882	41,882	41,882	41,882	-
4/1/2008	American Express	FBO Andrew Madoff	2,008	2,008	2,008	2,008	-
5/1/2008	American Express	FBO Andrew Madoff	4,848	4,848	4,848	4,848	-
5/1/2008	American Express	FBO Andrew Madoff	14	14	14	14	-
5/27/2008	Andrew Madoff		150,000 ^[9]		150,000	150,000	-
6/2/2008	American Express	FBO Andrew Madoff	8,828	8,828	8,828	8,828	-
7/2/2008	American Express	FBO Andrew Madoff	10,474	10,474	10,474	10,474	-
7/2/2008	American Express	FBO Andrew Madoff	58	58	58	58	-
8/1/2008	American Express	FBO Andrew Madoff	18,931	18,931	18,931	18,931	-
9/2/2008	American Express	FBO Andrew Madoff	7,501	7,501	7,501	7,501	-
9/12/2008	Todtman, Nachamie, Spizz & Johns, P.C.	FBO Andrew Madoff	430,000		430,000	430,000	-
9/24/2008	Blow Styling Salon	FBO Andrew Madoff	150,000		150,000	150,000	-
10/1/2008	Snow Becker Krauss Iola	FBO Andrew Madoff	4,055,000		4,055,000	4,055,000	-
10/1/2008	American Express	FBO Andrew Madoff	8,117	8,117	8,117	8,117	-
10/30/2008	American Express	FBO Andrew Madoff	13,868	13,868	13,868	13,868	-
10/30/2008	American Express	FBO Andrew Madoff	7,494	7,494	7,494	7,494	-
12/2/2008	American Express	FBO Andrew Madoff	5,748	5,748	5,748	5,748	-
Total:			\$ 21,768,309	\$ 153,296	\$ 5,068,277	\$ 12,439,341	\$ 9,328,967

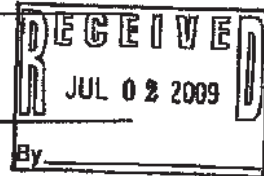
^[9] BLMIS transferred \$150,000 to Andrew Madoff on 5/27/2008, which was subsequently transferred to Blow Styling Salon, LLC.

EXHIBIT G

Bernard L. Madoff Investment Securities LLC
Case No 08-01789-BRL
U.S. Bankruptcy Court for the Southern District of New York
Claims Number: 100329

PROOF OF CLAIM

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK



IN RE

BERNARD L. MADOFF
INVESTMENT SECURITIES LLC,

Debtor.

) Adv. Proc. No. 08-01789-BRL
)
)
) Amount of Claim \$45,690,776.95
)
)
) Claimed As: ☒ General Unsecured
) ☒ Priority (see Paragraph 10)
) ☐ Secured (see Paragraph 9)
)
)

1. Name of Creditor
(Print or Type): Andrew Madoff

Mailing Address:

City: _____ State: _____ Zip Code: _____

2. The debtor was, at the time of the filing of the petition initiating this case, and still is indebted (or liable) to this claimant in the sum of \$45,690,776.95.

3. The consideration for this debt (or ground of liability) is as follows:

Services Rendered - See Attachment

4. (If the claim is founded on writing.) The writing on which this claim is founded (or a duplicate thereof) is attached hereto (or cannot be attached for the reason set forth in the following statement).

5. (If appropriate.) This claim is founded on an open account, which became (or will become) due on _____, as shown by the itemized statement attached hereto. Unless it is attached hereto or its absence is explained in an attached statement, no note or other negotiable instrument has been received for the account or any part of it.

PROOF OF CLAIM) CLAIM NUMBER
)

6. No judgment has been rendered on the claim except:

7. The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim.

8. This claim is not subject to any set-off or counterclaim except:

9. No security interest is held for this claim except:

~~(If security interest in property of the debtor is claimed)~~ The undersigned claims the security interest under the writing referred to in paragraph 4 hereof. Evidence of perfection of such security interest is also attached hereto.

10. This claim is an unsecured claim, except to the extent that the security interest, if any, described in paragraph 9 is sufficient to satisfy the claim. It is not entitled to priority unless the reason for priority and the amount claimed as priority is set forth below.

\$10,950 is an allowed unsecured claim entitled to priority under 11 U.S.C. § 507(a)(4)(A).

11. If claimant has obtained this claim by assignment, a copy or explanation of said assignment is attached hereto.

Name of Creditor (PRINT OR TYPE) Andrew Madoff

Signature: 

Title (Corporate Officer, Partner, or Agent): Employee/director

**IT IS A VIOLATION OF FEDERAL LAW TO FILE A FRAUDULENT CLAIM. CONVICTION
CAN RESULT IN A FINE OF NOT MORE THAN \$50,000 OR IMPRISONMENT FOR NOT
MORE THAN 5 YEARS OR BOTH.**

**ATTACHMENT TO PROOF OF CLAIM OF
ANDREW MADOFF**

1. On December 15, 2008 (the "Filing Date"), the Honorable Louis L. Stanton, United States District Court Judge for the Southern District of New York, entered the Order Commencing Liquidation (the "Liquidation Order") with respect to Bernard L. Madoff Investment Securities, LLC ("BLMIS" or the "Debtor") pursuant to the provisions of the Securities Investor Protection Act of 1970, 15 U.S.C. § 78aaa *et seq.*, as amended ("SIPA"). Pursuant to the Liquidation Order, the BLMIS proceeding (the "SIPA Proceeding") was removed to the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court") in the case captioned *Securities Investment Protection Corporation v. Bernard L. Madoff Investment Securities, LLC*, Adv. Proc. No. 08-01789 (SIPA) (Bankr. S.D.N.Y. 2008).

2. On December 23, 2008, the Bankruptcy Court entered the Order *Approving Form and Manner of Publication and Mailing of Notices; Specifying Procedures for Filing, Determination, and Adjudication of Claims; and Providing Other Relief* (the "SIPA Bar Date Order") which, inter alia, established July 2, 2009, as the deadline (the "SIPA Bar Date") by which all creditors of BLMIS must file proofs of claim in the Debtor's SIPA Proceeding.

3. On June 9, 2009, the Honorable Burton R. Lifland, United States Bankruptcy Court Judge for the Southern District of New York, entered the *Consent Order Substantively Consolidating the Estate of Bernard L. Madoff into the SIPA Proceeding of Bernard L. Madoff Investment Securities LLC and Expressly Preserving All Rights, Claims and Powers of Both Estates* (the "Consolidation Consent Order"). Pursuant to the

Consolidation Consent Order, Bernard L. Madoff's Chapter 7 Case, No. 09-11893 (BRL) (the "Madoff Chapter 7 Case"), was substantively consolidated with the SIPA Proceeding.

4. This Proof of Claim is accordingly filed by and on behalf of Andrew Madoff (the "Claimant") for monies owing to him by BLMIS for services performed by the Claimant as a director in the proprietary trading and market making businesses of BLMIS and for Claimant's claims for fraudulent inducement against the Debtor concerning Claimant's investment in Madoff Securities International Ltd.

5. This amount constitutes (1) the balance of Claimant's Deferred Compensation Account which was maintained at BLMIS (Account No. 1-M0006-3) ("Deferred Compensation Account") (\$40,624,525; most recent available statement attached as Exhibit A); (2) Claimant's salary payment for December 1, 2008 through December 11, 2008 (\$66,251.95; 2008 W-2 tax statement attached as Exhibit B); and (3) Claimant's investment in Madoff Securities International Ltd (\$5,000,000).

6. Reference is made to the *Madoff General Claim Form* to which this attachment is made (the "Madoff General Claim Form"). As set forth therein, as of the filing of this Proof of Claim, BLMIS was, and still is, indebted and/or liable to the Claimant for cash in an amount of no less than \$45,690,776.95 arising from BLMIS's obligation to pay the Claimant the amounts accrued in Claimant's Deferred Compensation Account, as well as Claimant's December 2008 salary, and Claimant's investment in Madoff Securities International Ltd.

7. Concurrently with filing this Proof of Claim, Claimant is filing two SIPC customer claims for BLMIS Account Nos. 1-M0107-3 and 1-M0108-3 (together, the "Customer Claims"). To the extent that Claimant's Customer Claims are not honored or paid

in full in the SIPA Proceeding, Claimant reserves all rights to assert such claims in this proceeding. Nothing herein is or shall be intended to re-characterize any of Claimant's claims asserted in the Customer Claims, which shall remain submitted as Customer Claims in their entirety.

8. In addition, Claimant hereby asserts a contingent claim in respect of the possible assertion of any avoidance cause of action (or any similar cause of action seeking recovery of any transfers to Claimant) against Claimant and a claim, in an amount to be determined, based upon the avoidance of transfers to Claimant; provided, however, that Claimant's assertion of such claims shall not constitute an admission of any kind whatsoever by Claimant of the avoidability of any transfers made to Claimant or any wrongdoing on Claimant's part.

* * * * *

9. Claimant has filed this Proof of Claim under compulsion of the SIPA Bar Date Order and to protect Claimant from forfeiture of its claim against the Debtor by reason of the SIPA Bar Date. Claimant hereby expressly reserves the right to amend and/or supplement this Proof of Claim at any time and in any manner, including, without limitation to assert claims for interest, fees, penalties, charges, attorneys fees and expenses accrued before or after the Filing Date. Claimant further reserves the right to file additional proofs of claim or applications for allowance of administrative expenses or other priority status in this or any other proceeding arising from or related to the claims described herein, including for treatment as provided in section 503(b) of the Bankruptcy Code.

10. In executing and filing this Proof of Claim, Claimant does not waive any obligation owed to Claimant by BLMIS or any past, present or future breaches of agreements by BLMIS. Claimant further does not waive, and this Proof of Claim shall not be deemed or construed to waive, any claims or right to assert any claims, or preserve any remedies, Claimant has against BLMIS or its affiliates, whether arising from or related to transactions described herein or otherwise. Claimant believes such claims are substantial and reserves all of its rights and remedies in connection therewith. In particular, and without limitation, Claimant reserves all of his rights with respect to all claims for fraudulent inducement against the Debtor concerning the Claimant's investment of \$5,000,000 in Madoff Securities International Ltd.

11. The filing of this Proof of Claim is not and shall not be deemed or construed as: (a) a waiver or release of Claimant's rights against any person, entity, or property; (b) a consent by Claimant to the jurisdiction of this Court or any other court with respect to proceedings, if any, commenced in any case against or otherwise involving Claimant; (c) a waiver or release of Claimant's right to trial by jury in this Court or any other court in any proceeding as to any and all matters so triable herein, whether or not the same be designated legal or private rights or in any case, controversy, or proceeding related hereto, notwithstanding the designation or not of such matters as "core proceedings" pursuant to 28 U.S.C. § 157(b)(2), and whether such jury trial right is pursuant to statute or the United States Constitution; (d) a consent by Claimant to a jury trial in this Court or any other court in any proceeding as to any and all matters so triable herein or in any case, controversy, or proceeding related hereto, pursuant to 28 U.S.C. § 157(e) or otherwise; (e) a waiver or release of Claimant's right to have any and all final orders in any and all non-core matters or

proceedings entered only after *de novo* review by a United States District Court Judge; (f) a waiver of the right to move to withdraw the reference with respect to the subject matter of this Proof of Claim, any objection thereto or other proceeding which may be commenced in this case against or otherwise involving Claimant; or (g) an election of remedies.

12. All notices regarding this Proof of Claim should be sent to: Andrew Madoff, [REDACTED] with copies to Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, New York 10019-6064, Telephone: (212) 373-3000, Attention: Martin Flumenbaum.

THE FOREGOING CLAIM IS TRUE AND ACCURATE TO THE BEST OF MY INFORMATION AND BELIEF.

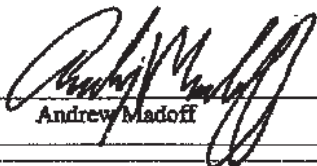

Andrew Madoff

Exhibit A

PORTFOLIO DISPLAY

<u>ACCOUNT#-> IMDSB 3 ARKEX MADOFF</u>		<u>From: 1/01/84 to 1/31/05</u>
Initial Investment----->		14,005,877.82CR
Prof Under Benchmark Return Prv Yr ---->		13,978,199.51
Adjustments----->		
Capital Additions----->		
Capital Withdrawals----->		
Net Working Capital----->		14,005,877.82CR
Benchmark Return of 24 % for 366 Days-->		3,370,620.02CR
Capital Gains/Losses----->		
Dividends/Interest----->		
Realized P/L----->		
Unrealized P/L----->		
Profits Withdrawn----->		
Over/Under Benchmark Return(This Year)-->		3,370,620.02-
Current Cash Balance----->		.31CR
Market Value of Open Positions----->		27,678.00
Total Equity----->		27,678.31CR
PRIOR YEAR END EQUITY----->	27,678.31CR	
ANNUALIZED RETURN FOR CURRENT YEAR---->	.00 %	
Buying Power	28 Over/Under	17,349- Cmd 7 = EXIT

2025 RELEASE UNDER E.O. 14176

Exhibit B

Employer's name (print or type) Bernard L. Madoff Investment Securities LLC 885 Third Avenue New York, NY 10022		OMB No. 1545-0047		To Be Filled by Employer's FEDERAL TAX RETURN With the 990 of calendar year		1 Wages, tips, other compensation 1688150.00		2 Federal income tax withheld 58621.32	
3 Social security wages 102200.00		4 Social security tax withheld 624.00		5 Medicare wages and tips 2011658.00		6 Medicare tax withheld 29188.83		7 Social Security tax 15500.00	
8 Dependent care benefits 0		9 Health/savings plan 0		10 Other health/savings plan 0		11 Health/savings plan 0		12 Other health/savings plan 0	
13 Dependent care benefits 0		14 Health/savings plan 0		15 Other health/savings plan 0		16 Health/savings plan 0		17 Other health/savings plan 0	
18 State income tax 145784.01		19 Local income tax 73986.17		20 Total income tax 219770.18		21 State income tax 145784.01		22 Local income tax 73986.17	
Form W-2 Wage and Tax Statement 2008									
Department of the Treasury—Internal Revenue Service									
State, local, FICA, FUTA Use									
Form W-2 Wage and Tax Statement 2008									
Department of the Treasury—Internal Revenue Service									
State, local, FICA, FUTA Use									
Form W-2 Wage and Tax Statement 2008									
Department of the Treasury—Internal Revenue Service									
State, local, FICA, FUTA Use									

ELSS, RIFKIND, WHARTON & GARRISON LLP
AVENUE OF THE AMERICAS • NEW YORK, NY 10019-8084

HAND DELIVERY

PS|Ship - Voucher

Page 1 of 2

To
Alic Partners LLP
c/o Baker & Hostetler LLP
45 Rockefeller Plaza
New York, NY 10111 US
212-373-3512

From
HANNAH S. SHOLL
(04796)
Paul Weiss LLP
1285 Avenue of the
Americas
New York, NY 10019 US

PWRWG0164486



Service
Roundtrip
Hand Delivery by 11:00 AM

Reference
018097 . 00001

Instructions
May be left unattended in a
safe place
Messenger needs to wait for
signature. SUPER RUSH

Operator
CLAUDETTE W WILSON
2072
cwilson@paulweiss.com

Options
Signature required

Vendor	
Tracking	
Operator	
Price	
Packaging/Dimensions	
Other	

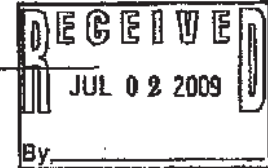
NY-019
NY-016

	Signature	Name	Date
Delivered to			
Delivered by			

Bernard L. Madoff Investment Securities LLC
Case No. 08-01789-BRL
U.S. Bankruptcy Court for the Southern District of New York
Claim Number: 100328

PROOF OF CLAIM

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**



IN RE

BERNARD L. MADOFF
INVESTMENT SECURITIES LLC,

Debtor.

) Adv. Proc. No. 08-01789-BRL

) Amount of Claim \$53,848,721.06

) Claimed As: ☒ General Unsecured
) ☒ Priority (see Paragraph 10)
) ☐ Secured (see Paragraph 9)

1. Name of Creditor
(Print or Type): Mark Madoff

Mailing Address: _____

City _____ State _____ Zip Code: _____

2. The debtor was, at the time of the filing of the petition initiating this case, and still is indebted (or liable) to this claimant in the sum of \$53,848,721.06.

3. The consideration for this debt (or ground of liability) is as follows:

Services Rendered – See Attachment

4. (If the claim is founded on writing.) The writing on which this claim is founded (or a duplicate thereof) is attached hereto (or cannot be attached for the reason set forth in the following statement).

5. (If appropriate.) This claim is founded on an open account, which became (or will become) due on _____, as shown by the itemized statement attached hereto. Unless it is attached hereto or its absence is explained in an attached statement, no note or other negotiable instrument has been received for the account or any part of it.

PROOF OF CLAIM) CLAIM NUMBER
)

8. This claim is not subject to any set-off or counterclaim except:

(If security interest in property of the debtor is claimed) The undersigned claims the security interest under the writing referred to in paragraph 4 hereof. Evidence of perfection of such security interest is also attached hereto.

\$10,950 is an allowed unsecured claim entitled to priority under 11 U.S.C. § 507(a)(4)(A).

11. If claimant has obtained this claim by assignment, a copy or explanation of said assignment is attached hereto.

Name of Creditor (PRINT OR TYPE) Mark Madoff

Signature: Mark Madoff

Title (Corporate Officer, Partner, or Agent): Employee/director

**IT IS A VIOLATION OF FEDERAL LAW TO FILE A FRAUDULENT CLAIM. CONVICTION
CAN RESULT IN A FINE OF NOT MORE THAN \$50,000 OR IMPRISONMENT FOR NOT
MORE THAN 5 YEARS OR BOTH.**

**ATTACHMENT TO PROOF OF CLAIM OF
MARK MADOFF**

1. On December 15, 2008 (the "Filing Date"), the Honorable Louis L. Stanton, United States District Court Judge for the Southern District of New York, entered the Order Commencing Liquidation (the "Liquidation Order") with respect to Bernard L. Madoff Investment Securities, LLC ("BLMIS" or the "Debtor") pursuant to the provisions of the Securities Investor Protection Act of 1970, 15 U.S.C. § 78aaa *et seq.*, as amended ("SIPA"). Pursuant to the Liquidation Order, the BLMIS proceeding (the "SIPA Proceeding") was removed to the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court") in the case captioned *Securities Investment Protection Corporation v. Bernard L. Madoff Investment Securities, LLC*, Adv. Proc. No. 08-01789 (SIPA) (Bankr. S.D.N.Y. 2008).

2. On December 23, 2008, the Bankruptcy Court entered the Order *Approving Form and Manner of Publication and Mailing of Notices; Specifying Procedures for Filing, Determination, and Adjudication of Claims; and Providing Other Relief* (the "SIPA Bar Date Order") which, *inter alia*, established July 2, 2009, as the deadline (the "SIPA Bar Date") by which all creditors of BLMIS must file proofs of claim in the Debtor's SIPA Proceeding.

3. On June 9, 2009, the Honorable Burton R. Lifland, United States Bankruptcy Court Judge for the Southern District of New York, entered the *Consent Order Substantively Consolidating the Estate of Bernard L. Madoff into the SIPA Proceeding of Bernard L. Madoff Investment Securities LLC and Expressly Preserving All Rights, Claims and Powers of Both Estates* (the "Consolidation Consent Order"). Pursuant to the

Consolidation Consent Order, Bernard L. Madoff's Chapter 7 Case, No. 09-11893 (BRL) (the "Madoff Chapter 7 Case"), was substantively consolidated with the SIPA Proceeding.

4. This Proof of Claim is accordingly filed by and on behalf of Mark Madoff (the "Claimant") for monies owing to him by BLMIS for services performed by the Claimant as a director in the proprietary trading and market making businesses of BLMIS and for Claimant's claims for fraudulent inducement against the Debtor concerning Claimant's investment in Madoff Securities International Ltd.

5. This amount constitutes (1) the balance of Claimant's Deferred Compensation Account which was maintained at BLMIS (Account No. 1-M0009-3) ("Deferred Compensation Account") (\$44,815,520; most recent available statement attached as Exhibit A); (2) Claimant's salary payment for December 1, 2008 through December 11, 2008 (\$33,201.06; 2008 W-2 tax statement attached as Exhibit B); (3) Claimant's 2007 bonus (\$2,000,000); (4) Claimant's 2008 bonus (\$2,000,000); and (4) Claimant's investment in Madoff Securities International Ltd. (\$5,000,000).

6. Reference is made to the *Madoff General Claim Form* to which this attachment is made (the "Madoff General Claim Form"). As set forth therein, as of the filing of this Proof of Claim, BLMIS was, and still is, indebted and/or liable to the Claimant for cash in an amount of no less than \$53,848,721.06 arising from BLMIS's obligation to pay the Claimant the amounts accrued in Claimant's Deferred Compensation Account, as well as Claimant's December 2008 salary, 2007 and 2008 bonuses, and Claimant's investment in Madoff Securities International Ltd.

7. In addition, Claimant hereby asserts a contingent claim in respect of the possible assertion of any avoidance cause of action (or any similar cause of action seeking

recovery of any transfers to Claimant) against Claimant and a claim, in an amount to be determined, based upon the avoidance of transfers to Claimant; provided, however, that Claimant's assertion of such claims shall not constitute an admission of any kind whatsoever by Claimant of the avoidability of any transfers made to Claimant or any wrongdoing on Claimant's part.

* * * * *

8. Claimant has filed this Proof of Claim under compulsion of the SIPA Bar Date Order and to protect Claimant from forfeiture of its claim against the Debtor by reason of the SIPA Bar Date. Claimant hereby expressly reserves the right to amend and/or supplement this Proof of Claim at any time and in any manner, including, without limitation to assert claims for interest, fees, penalties, charges, attorneys fees and expenses accrued before or after the Filing Date. Claimant further reserves the right to file additional proofs of claim or applications for allowance of administrative expenses or other priority status in this or any other proceeding arising from or related to the claims described herein, including for treatment as provided in section 503(b) of the Bankruptcy Code.

9. In executing and filing this Proof of Claim, Claimant does not waive any obligation owed to Claimant by BLMIS or any past, present or future breaches of agreements by BLMIS. Claimant further does not waive, and this Proof of Claim shall not be deemed or construed to waive, any claims or right to assert any claims, or preserve any remedies, Claimant has against BLMIS or its affiliates, whether arising from or related to transactions described herein or otherwise. Claimant believes such claims are substantial and reserves all of its rights and remedies in connection therewith. In particular, and without

limitation, Claimant reserves all of his rights with respect to all claims for fraudulent inducement against the Debtor concerning the Claimant's investment of \$5,000,000 in Madoff Securities International Ltd.

10. The filing of this Proof of Claim is not and shall not be deemed or construed as: (a) a waiver or release of Claimant's rights against any person, entity, or property; (b) a consent by Claimant to the jurisdiction of this Court or any other court with respect to proceedings, if any, commenced in any case against or otherwise involving Claimant; (c) a waiver or release of Claimant's right to trial by jury in this Court or any other court in any proceeding as to any and all matters so triable herein, whether or not the same be designated legal or private rights or in any case, controversy, or proceeding related hereto, notwithstanding the designation or not of such matters as "core proceedings" pursuant to 28 U.S.C. § 157(b)(2), and whether such jury trial right is pursuant to statute or the United States Constitution; (d) a consent by Claimant to a jury trial in this Court or any other court in any proceeding as to any and all matters so triable herein or in any case, controversy, or proceeding related hereto, pursuant to 28 U.S.C. § 157(e) or otherwise; (e) a waiver or release of Claimant's right to have any and all final orders in any and all non-core-matters or proceedings entered only after *de novo* review by a United States District Court Judge; (f) a waiver of the right to move to withdraw the reference with respect to the subject matter of this Proof of Claim, any objection thereto or other proceeding which may be commenced in this case against or otherwise involving Claimant; or (g) an election of remedies.

11. All notices regarding this Proof of Claim should be sent to: Mark Madoff, [REDACTED] with copies to Paul, Weiss,

Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, New York

10019-6064, Telephone: (212) 373-3000, Attention: Martin Phumebbaum.

THE FOREGOING CLAIM IS TRUE AND ACCURATE TO THE BEST OF MY
INFORMATION AND BELIEF.


Mark Madoff

Exhibit A

2007

Exhibit B

COPY B		To Be Filed with Employee's FEDERAL Tax Return		To Be Filed with Employee's State, City or Local Income Tax Return	
1 Employer's name (print or type) Bernard L. Madoff Investment Securities LLC 885 Third Avenue New York, NY 10022		2 Federal tax identification number 00-00000000		3 Federal income tax withheld 323783.43	
4 Employee's name (print or type) Mark Madoff		5 Social security number 102000 00		6 Social security tax withheld 5324.00	
7 State tax identification number [REDACTED]		8 Medicare wages and tips 1008150.00		9 Medicare tax withheld 14818.18	
10 Dependent care benefits [REDACTED]		11 Health/savings plan [REDACTED]		12 Other Social Security 2330.00	
13 State tax withheld for the year 352550.00		14 Local tax withheld for the year 72062.21		15 Federal income tax withheld 323783.43	
16 State tax credit for the year 352550.00		17 Local tax credit for the year 72062.21		18 Total tax withheld 75000.00	
19 State tax credit for the year 352550.00		20 Local tax credit for the year 72062.21		21 Total tax withheld 75000.00	
22 State tax credit for the year 352550.00		23 Local tax credit for the year 72062.21		24 Total tax withheld 75000.00	

Form W-2 Wage and Tax Statement 2008 Department of the Treasury—Internal Revenue Service Safe, accurate, FAST! Use

PAUL, WEISS, RIFKIND, WHARTON & GARRISON LLP

LLOYD K. GARRISON (1948-1981)
 RANDOLPH E. PALM (1948-1988)
 RICHARD H. SHIFFERD (1950-1985)
 LOUISE E. WELLS (1957-1980)
 JAMES E. WILKINSON (1957-1977)

FUKOKU SEIMEI BUILDING
2-2 UCHISAWAKUCHO 2-CHOME
CHITOSE-KU, TOKYO 180-0511, JAPAN
TELEPHONE (81-3) 3597-8101
FACSIMILE (81-3) 3597-8125

WINTER'S DIRECT DIAL NUMBERS

WRITER'S DIRECT FACSIMILE

WRITER'S DIRECT E-MAIL ADDRESS

12TH FLOOR HONG KONG CLUB BUILDING
3A CHATER ROAD, CENTRAL
HONG KONG
TELEPHONE (852) 2336-0033
FACSIMILE (852) 2336-0032

[illegible]

July 2, 2009

Irving H. Picard, Esq.
Baker and Hostetler LLP
45 Rockefeller Plaza, 11th Floor
New York, NY 10111

Enclosed please find Customer Claims and Proofs of Claim for Mark and Andrew Madoff. The original versions of these forms were sent to the Claims Processing Center in Dallas, Texas this week. However, we have not received confirmation that such forms were received by the Claims Agent. Therefore, in an abundance of caution, we submit these copies to your office to ensure that we meet the July 2 SIPA deadline.

Sincerely,

Enclosures

WEISS, RIFKIND, WHARTON & GARRISON LLP
AVENUE OF THE AMERICAS • NEW YORK, NY 10019-5084

HAND DELIVERY

PS/Stop - Voucher

Page 1 of 2

To
Alx Partners LLP
c/o Baker & Hostetler LLP
45 Rockefeller Plaza
New York, NY 10111 US
212-373-3512

From
HANNAH S. SHOLL
(04795)
Paul Weiss LLP
1285 Avenue of the
Americas
New York, NY 10018 US

PWRWG0164486



Service
Roundtrip
Hand Delivery by 11:00 AM

Reference
018997 . 00001

Instructions
May be left unattended in a
safe place
Messenger needs to wait for
signature. SUPER RUSH

Operator
CLAUDETTE W WILSON
2072
cwilson@paulweiss.com

Vendor

Tracking

Price

Package/dimensions

Other

Options
Signature required

	Signature	Name	Date
Delivered to			
Delivered by			

NY-019
NY-016

BERNARD L. MADOFF Investment Securities LLC
Case No 08-01789-BRL
U.S. Bankruptcy Court for the Southern District of New York
Claim Number 100427

PROOF OF CLAIM

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

RECEIVED

JUL 06 2009

IN RE)	Adv. Proc. No. 08-01789-BRL
)	
BERNARD L. MADOFF)	
INVESTMENT SECURITIES LLC,)	Amount of Claim \$45,690,776.95
)	
)	Claimed As: <input checked="" type="checkbox"/> General Unsecured
)	<input checked="" type="checkbox"/> Priority (see Paragraph 10)
Debtor.)	<input type="checkbox"/> Secured (see Paragraph 9)
)	

1. Name of Creditor
(Print or Type): Andrew Madoff

Mailing Address: [REDACTED]

City [REDACTED] State [REDACTED] Zip Code: [REDACTED]

2. The debtor was, at the time of the filing of the petition initiating this case, and still is indebted (or liable) to this claimant in the sum of \$45,690,776.95.

3. The consideration for this debt (or ground of liability) is as follows:

Services Rendered - See Attachment

4. (If the claim is founded on writing.) The writing on which this claim is founded (or a duplicate thereof) is attached hereto (or cannot be attached for the reason set forth in the following statement).

5. (If appropriate,) This claim is founded on an open account, which became (or will become) due on _____, as shown by the itemized statement attached hereto. Unless it is attached hereto or its absence is explained in an attached statement, no note or other negotiable instrument has been received for the account or any part of it.

PROOF OF CLAIM) CLAIM NUMBER
)

6. No judgment has been rendered on the claim except:

7. The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim.

8. This claim is not subject to any set-off or counterclaim except:

9. No security interest is held for this claim except:

(If security interest in property of the debtor is claimed) The undersigned claims the security interest under the writing referred to in paragraph 4 hereof. Evidence of perfection of such security interest is also attached hereto.

10. This claim is an unsecured claim, except to the extent that the security interest, if any, described in paragraph 9 is sufficient to satisfy the claim. It is not entitled to priority unless the reason for priority and the amount claimed as priority is set forth below.

\$10,950 is an allowed unsecured claim entitled to priority under 11 U.S.C. § 507(a)(4)(A).

11. If claimant has obtained this claim by assignment, a copy or explanation of said assignment is attached hereto.

Name of Creditor (PRINT OR TYPE) Andrew Madoff

Signature: 

Title (Corporate Officer, Partner, or Agent): Employee/director

**IT IS A VIOLATION OF FEDERAL LAW TO FILE A FRAUDULENT CLAIM. CONVICTION
CAN RESULT IN A FINE OF NOT MORE THAN \$50,000 OR IMPRISONMENT FOR NOT
MORE THAN 5 YEARS OR BOTH.**

**ATTACHMENT TO PROOF OF CLAIM OF
ANDREW MADOFF**

1. On December 15, 2008 (the "Filing Date"), the Honorable Louis L. Stanton, United States District Court Judge for the Southern District of New York, entered the Order Commencing Liquidation (the "Liquidation Order") with respect to Bernard L. Madoff Investment Securities, LLC ("BLMIS" or the "Debtor") pursuant to the provisions of the Securities Investor Protection Act of 1970, 15 U.S.C. § 78aaa *et seq.*, as amended ("SIPA"). Pursuant to the Liquidation Order, the BLMIS proceeding (the "SIPA Proceeding") was removed to the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court") in the case captioned *Securities Investment Protection Corporation v. Bernard L. Madoff Investment Securities, LLC*, Adv. Proc. No. 08-01789 (SIPA) (Bankr. S.D.N.Y. 2008).

2. On December 23, 2008, the Bankruptcy Court entered the *Order Approving Form and Manner of Publication and Mailing of Notices; Specifying Procedures for Filing, Determination, and Adjudication of Claims; and Providing Other Relief* (the "SIPA Bar Date Order") which, inter alia, established July 2, 2009, as the deadline (the "SIPA Bar Date") by which all creditors of BLMIS must file proofs of claim in the Debtor's SIPA Proceeding.

3. On June 9, 2009, the Honorable Burton R. Lifland, United States Bankruptcy Court Judge for the Southern District of New York, entered the *Consent Order Substantively Consolidating the Estate of Bernard L. Madoff into the SIPA Proceeding of Bernard L. Madoff Investment Securities LLC and Expressly Preserving All Rights, Claims and Powers of Both Estates* (the "Consolidation Consent Order"). Pursuant to the

Consolidation Consent Order, Bernard L. Madoff's Chapter 7 Case, No. 09-11893 (BRL) (the "Madoff Chapter 7 Case"), was substantively consolidated with the SIPA Proceeding.

4. This Proof of Claim is accordingly filed by and on behalf of Andrew Madoff (the "Claimant") for monies owing to him by BLMIS for services performed by the Claimant as a director in the proprietary trading and market making businesses of BLMIS and for Claimant's claims for fraudulent inducement against the Debtor concerning Claimant's investment in Madoff Securities International Ltd.

5. This amount constitutes (1) the balance of Claimant's Deferred Compensation Account which was maintained at BLMIS (Account No. 1-M0006-3) ("Deferred Compensation Account") (\$40,624,525; most recent available statement attached as Exhibit A); (2) Claimant's salary payment for December 1, 2008 through December 11, 2008 (\$66,251.95; 2008 W-2 tax statement attached as Exhibit B); and (3) Claimant's investment in Madoff Securities International Ltd (\$5,000,000).

6. Reference is made to the *Madoff General Claim Form* to which this attachment is made (the "Madoff General Claim Form"). As set forth therein, as of the filing of this Proof of Claim, BLMIS was, and still is, indebted and/or liable to the Claimant for cash in an amount of no less than \$45,690,776.95 arising from BLMIS's obligation to pay the Claimant the amounts accrued in Claimant's Deferred Compensation Account, as well as Claimant's December 2008 salary, and Claimant's investment in Madoff Securities International Ltd.

7. Concurrently with filing this Proof of Claim, Claimant is filing two SIPC customer claims for BLMIS Account Nos. 1-M0107-3 and 1-M0108-3 (together, the "Customer Claims"). To the extent that Claimant's Customer Claims are not honored or paid

in full in the SIPA Proceeding, Claimant reserves all rights to assert such claims in this proceeding. Nothing herein is or shall be intended to re-characterize any of Claimant's claims asserted in the Customer Claims, which shall remain submitted as Customer Claims in their entirety.

8. In addition, Claimant hereby asserts a contingent claim in respect of the possible assertion of any avoidance cause of action (or any similar cause of action seeking recovery of any transfers to Claimant) against Claimant and a claim, in an amount to be determined, based upon the avoidance of transfers to Claimant; provided, however, that Claimant's assertion of such claims shall not constitute an admission of any kind whatsoever by Claimant of the avoidability of any transfers made to Claimant or any wrongdoing on Claimant's part.

* * * * *

9. Claimant has filed this Proof of Claim under compulsion of the SIPA Bar Date Order and to protect Claimant from forfeiture of its claim against the Debtor by reason of the SIPA Bar Date. Claimant hereby expressly reserves the right to amend and/or supplement this Proof of Claim at any time and in any manner, including, without limitation to assert claims for interest, fees, penalties, charges, attorneys fees and expenses accrued before or after the Filing Date. Claimant further reserves the right to file additional proofs of claim or applications for allowance of administrative expenses or other priority status in this or any other proceeding arising from or related to the claims described herein, including for treatment as provided in section 503(b) of the Bankruptcy Code.

10. In executing and filing this Proof of Claim, Claimant does not waive any obligation owed to Claimant by BLMIS or any past, present or future breaches of agreements by BLMIS. Claimant further does not waive, and this Proof of Claim shall not be deemed or construed to waive, any claims or right to assert any claims, or preserve any remedies, Claimant has against BLMIS or its affiliates, whether arising from or related to transactions described herein or otherwise. Claimant believes such claims are substantial and reserves all of its rights and remedies in connection therewith. In particular, and without limitation, Claimant reserves all of his rights with respect to all claims for fraudulent inducement against the Debtor concerning the Claimant's investment of \$5,000,000 in Madoff Securities International Ltd.

11. The filing of this Proof of Claim is not and shall not be deemed or construed as: (a) a waiver or release of Claimant's rights against any person, entity, or property; (b) a consent by Claimant to the jurisdiction of this Court or any other court with respect to proceedings, if any, commenced in any case against or otherwise involving Claimant; (c) a waiver or release of Claimant's right to trial by jury in this Court or any other court in any proceeding as to any and all matters so triable herein, whether or not the same be designated legal or private rights or in any case, controversy, or proceeding related hereto, notwithstanding the designation or not of such matters as "core proceedings" pursuant to 28 U.S.C. § 157(b)(2), and whether such jury trial right is pursuant to statute or the United States Constitution; (d) a consent by Claimant to a jury trial in this Court or any other court in any proceeding as to any and all matters so triable herein or in any case, controversy, or proceeding related hereto, pursuant to 28 U.S.C. § 157(e) or otherwise; (e) a waiver or release of Claimant's right to have any and all final orders in any and all non-core matters or

proceedings entered only after *de novo* review by a United States District Court Judge; (f) a waiver of the right to move to withdraw the reference with respect to the subject matter of this Proof of Claim, any objection thereto or other proceeding which may be commenced in this case against or otherwise involving Claimant; or (g) an election of remedies.

12. All notices regarding this Proof of Claim should be sent to: Andrew Madoff, [REDACTED] with copies to Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, New York 10019-6064, Telephone: (212) 373-3000, Attention: Martin Flumenbaum.

THE FOREGOING CLAIM IS TRUE AND ACCURATE TO THE BEST OF MY INFORMATION AND BELIEF.



Andrew Madoff

Exhibit A

PORTFOLIO DISPLAY

ACCOUNTS--> IM00053 ANDREW MADOFF	From: 1/01/04 to 1/31/05
Initial Investment----->	14,005,877.82CR
Prof Under Benchmark Return Prv Yr ---->	13,978,199.51
Adjustments----->	
Capital Additions----->	
Capital Withdrawals----->	
Net Working Capital----->	14,005,877.82CR
Benchmark Return of 24 % for 366 Days-->	3,370,620.02CR
Capital Gains/Losses----->	
Dividends/Interest----->	
Realized P/L----->	
Unrealized P/L----->	
Profits Withdrawn----->	
Over/Under Benchmark Return(This Year)-->	3,370,620.02-
Current Cash Balance----->	31CR
Market Value of Open Positions----->	27,678.00
Total Equity----->	27,678.31CR
PRIOR YEAR END EQUITY----->	27,678.31CR
ANNUALIZED RETURN FOR CURRENT YEAR-->	DO %
Buying Power	28 Over/Under 17,349-

Cmd 7 = EXIT

Additional will
Meredith Investment Management Limited
11 Berkeley Street
Haywards London W1J 8BT
Tel: 020 7990 6003

885 Third Avenue
New York, NY 10022
Tel: (212) 310-3424
Fax: (212) 692-4061

BERNARD L. MADOFF
INVESTMENT SECURITIES LLC
New York, NY

ANDREW MADOFF

885 THIRD AVENUE 18TH FL
NEW YORK NY 10022

DATE: 1/31/09 TIME: 1 H		ACCOUNT NO: [REDACTED] ACCOUNT NAME: [REDACTED]	
ORDER NO: 1-7000616-3-0 ORDER DATE: 1/31/09		ORDER TYPE: [REDACTED]	
DATE	AMOUNT	DESCRIPTION	MARKET VALUE
	27,678	BALANCE FORWARD	27,678
		NEW BALANCE	27,678
		SECURITY POSITIONS	
		FIDELITY<SPARKAM>	
		0 5 TREASURY MONEY MARKET	
		MARKET VALUE OF SECURITIES	
		LONG	
		SHORT	
		27,678-00	
		NET PRICE	
		1	
			27,678

PLEASE RETURN THIS STATEMENT FOR RECORD TO: [REDACTED]

Exhibit B

Employer's name, address and ZIP code Bernard L. Madoff Investment Securities LLC 885 Third Avenue New York, NY 10022		To Be Filed with Employee's State, City or Local Income Tax Return 1 Wages, tips, other compensation: 1986150.00 2 Federal income tax withheld: 58621.32 3 Social security wages: 102000.00 4 Social security tax withheld: 6324.00 5 Medicare wages and tips: 2011850.00 6 Medicare tax withheld: 29168.93 7 Federal income tax withheld: 58621.32 8 Advance EIC payment: 0.00 9 Dependent care benefits: 0.00 10a Sick pay/benefits for last 12 months: 15500.00 10b Other Health/Dependent Care: 9350.00 11 Homebased phone: 0.00 12 Med Spend: 4000.00 13a Disability: <input type="checkbox"/> 13b Retirement: <input checked="" type="checkbox"/> 13c Other: <input type="checkbox"/> 14a This information is being furnished to the Internal Revenue Service.			
15 State: NY	16 State wages, tips, etc.: 1986150.00	17 State income tax: 145784.01	18 Local wages, tips, etc.: 1986150.00	19 Local income tax: 78966.17	20 Locality name: NYC

Form W-2 Wage and Tax Statement 2008 Department of the Treasury—Internal Revenue Service Safe, accurate, FAST! Use

Employer's name, address and ZIP code Bernard L. Madoff Investment Securities LLC 885 Third Avenue New York, NY 10022		TO BE FILED WITH EMPLOYEE'S STATE, CITY OR LOCAL INCOME TAX RETURN 1 Wages, tips, other compensation: 1986150.00 2 Federal income tax withheld: 58621.32 3 Social security wages: 102000.00 4 Social security tax withheld: 6324.00 5 Medicare wages and tips: 2011850.00 6 Medicare tax withheld: 29168.93 7 Federal income tax withheld: 58621.32 8 Advance EIC payment: 0.00 9 Dependent care benefits: 0.00 10a Sick pay/benefits for last 12 months: 15500.00 10b Other Health/Dependent Care: 9350.00 11 Homebased phone: 0.00 12 Med Spend: 4000.00 13a Disability: <input type="checkbox"/> 13b Retirement: <input checked="" type="checkbox"/> 13c Other: <input type="checkbox"/> 14a This information is being furnished to the Internal Revenue Service.			
15 State: NY	16 State wages, tips, etc.: 1986150.00	17 State income tax: 145784.01	18 Local wages, tips, etc.: 1986150.00	19 Local income tax: 78966.17	20 Locality name: NYC

Form W-2 Wage and Tax Statement 2008 Department of the Treasury—Internal Revenue Service Safe, accurate, FAST! Use

Employer's name, address and ZIP code Bernard L. Madoff Investment Securities LLC 885 Third Avenue New York, NY 10022		TO BE FILED WITH EMPLOYEE'S STATE, CITY OR LOCAL INCOME TAX RETURN 1 Wages, tips, other compensation: 1986150.00 2 Federal income tax withheld: 58621.32 3 Social security wages: 102000.00 4 Social security tax withheld: 6324.00 5 Medicare wages and tips: 2011850.00 6 Medicare tax withheld: 29168.93 7 Federal income tax withheld: 58621.32 8 Advance EIC payment: 0.00 9 Dependent care benefits: 0.00 10a Sick pay/benefits for last 12 months: 15500.00 10b Other Health/Dependent Care: 9350.00 11 Homebased phone: 0.00 12 Med Spend: 4000.00 13a Disability: <input type="checkbox"/> 13b Retirement: <input checked="" type="checkbox"/> 13c Other: <input type="checkbox"/> 14a This information is being furnished to the Internal Revenue Service.			
15 State: NY	16 State wages, tips, etc.: 1986150.00	17 State income tax: 145784.01	18 Local wages, tips, etc.: 1986150.00	19 Local income tax: 78966.17	20 Locality name: NYC

Form W-2 Wage and Tax Statement 2008 Department of the Treasury—Internal Revenue Service Safe, accurate, FAST! Use

PROOF OF CLAIM

Bernard L. Madoff Investment Securities LLC
Case No. 08-01789-BRL
U.S. Bankruptcy Court for the Southern District of New York
Claim Number 100428

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

IN RE

BERNARD L. MADOFF
INVESTMENT SECURITIES LLC,

Debtor.

) Adv. Proc. No. 08-01789-BRL)
)
)
) Amount of Claim \$53,848,721.06
)
)
) Claimed As: ☒ General Unsecured
) ☒ Priority (see Paragraph 10)
) ☐ Secured (see Paragraph 9)
)
)

RECEIVED

JUL 06 2009

1. Name of Creditor
(Print or Type):

Mark Madoff

Mailing Address:

[REDACTED]

City

[REDACTED]

State

[REDACTED]

Zip Code:

[REDACTED]

2. The debtor was, at the time of the filing of the petition initiating this case, and still is indebted (or liable) to this claimant in the sum of \$53,848,721.06.

3. The consideration for this debt (or ground of liability) is as follows:

Services Rendered – See Attachment

4. (If the claim is founded on writing.) The writing on which this claim is founded (or a duplicate thereof) is attached hereto (or cannot be attached for the reason set forth in the following statement).

5. (If appropriate,) This claim is founded on an open account, which became (or will become) due on _____, as shown by the itemized statement attached hereto. Unless it is attached hereto or its absence is explained in an attached statement, no note or other negotiable instrument has been received for the account or any part of it.

PROOF OF CLAIM) CLAIM NUMBER
)

-
6. No judgment has been rendered on the claim except:

-
7. The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim.

-
8. This claim is not subject to any set-off or counterclaim except:

-
9. No security interest is held for this claim except:

(If security interest in property of the debtor is claimed) The undersigned claims the security interest under the writing referred to in paragraph 4 hereof. Evidence of perfection of such security interest is also attached hereto.

-
10. This claim is an unsecured claim, except to the extent that the security interest, if any, described in paragraph 9 is sufficient to satisfy the claim. **It is not entitled to priority unless the reason for priority and the amount claimed as priority is set forth below.**

\$10,950 is an allowed unsecured claim entitled to priority under 11 U.S.C. § 507(a)(4)(A).

11. If claimant has obtained this claim by assignment, a copy or explanation of said assignment is attached hereto.

Name of Creditor (PRINT OR TYPE) Mark Madoff

Signature: 

Title (Corporate Officer, Partner, or Agent): Employee/director

**IT IS A VIOLATION OF FEDERAL LAW TO FILE A FRAUDULENT CLAIM. CONVICTION
CAN RESULT IN A FINE OF NOT MORE THAN \$50,000 OR IMPRISONMENT FOR NOT
MORE THAN 5 YEARS OR BOTH.**

**ATTACHMENT TO PROOF OF CLAIM OF
MARK MADOFF**

1. On December 15, 2008 (the "Filing Date"), the Honorable Louis L. Stanton, United States District Court Judge for the Southern District of New York, entered the Order Commencing Liquidation (the "Liquidation Order") with respect to Bernard L. Madoff Investment Securities, LLC ("BLMIS" or the "Debtor") pursuant to the provisions of the Securities Investor Protection Act of 1970, 15 U.S.C. § 78aaa *et seq.*, as amended ("SIPA"). Pursuant to the Liquidation Order, the BLMIS proceeding (the "SIPA Proceeding") was removed to the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court") in the case captioned *Securities Investment Protection Corporation v. Bernard L. Madoff Investment Securities, LLC*, Adv. Proc. No. 08-01789 (SIPA) (Bankr. S.D.N.Y. 2008).

2. On December 23, 2008, the Bankruptcy Court entered the *Order Approving Form and Manner of Publication and Mailing of Notices; Specifying Procedures for Filing, Determination, and Adjudication of Claims; and Providing Other Relief* (the "SIPA Bar Date Order") which, *inter alia*, established July 2, 2009, as the deadline (the "SIPA Bar Date") by which all creditors of BLMIS must file proofs of claim in the Debtor's SIPA Proceeding.

3. On June 9, 2009, the Honorable Burton R. Lifland, United States Bankruptcy Court Judge for the Southern District of New York, entered the *Consent Order Substantively Consolidating the Estate of Bernard L. Madoff into the SIPA Proceeding of Bernard L. Madoff Investment Securities LLC and Expressly Preserving All Rights, Claims and Powers of Both Estates* (the "Consolidation Consent Order"). Pursuant to the

Consolidation Consent Order, Bernard L. Madoff's Chapter 7 Case, No. 09-11893 (BRL) (the "Madoff Chapter 7 Case"), was substantively consolidated with the SIPA Proceeding.

4. This Proof of Claim is accordingly filed by and on behalf of Mark Madoff (the "Claimant") for monies owing to him by BLMIS for services performed by the Claimant as a director in the proprietary trading and market making businesses of BLMIS and for Claimant's claims for fraudulent inducement against the Debtor concerning Claimant's investment in Madoff Securities International Ltd.

5. This amount constitutes (1) the balance of Claimant's Deferred Compensation Account which was maintained at BLMIS (Account No. 1-M0009-3) ("Deferred Compensation Account") (\$44,815,520; most recent available statement attached as Exhibit A); (2) Claimant's salary payment for December 1, 2008 through December 11, 2008 (\$33,201.06; 2008 W-2 tax statement attached as Exhibit B); (3) Claimant's 2007 bonus (\$2,000,000); (4) Claimant's 2008 bonus (\$2,000,000); and (4) Claimant's investment in Madoff Securities International Ltd. (\$5,000,000).

6. Reference is made to the *Madoff General Claim Form* to which this attachment is made (the "Madoff General Claim Form"). As set forth therein, as of the filing of this Proof of Claim, BLMIS was, and still is, indebted and/or liable to the Claimant for cash in an amount of no less than \$53,848,721.06 arising from BLMIS's obligation to pay the Claimant the amounts accrued in Claimant's Deferred Compensation Account, as well as Claimant's December 2008 salary, 2007 and 2008 bonuses, and Claimant's investment in Madoff Securities International Ltd.

7. In addition, Claimant hereby asserts a contingent claim in respect of the possible assertion of any avoidance cause of action (or any similar cause of action seeking

recovery of any transfers to Claimant) against Claimant and a claim, in an amount to be determined, based upon the avoidance of transfers to Claimant; provided, however, that Claimant's assertion of such claims shall not constitute an admission of any kind whatsoever by Claimant of the avoidability of any transfers made to Claimant or any wrongdoing on Claimant's part.

* * * * *

8. Claimant has filed this Proof of Claim under compulsion of the SIPA Bar Date Order and to protect Claimant from forfeiture of its claim against the Debtor by reason of the SIPA Bar Date. Claimant hereby expressly reserves the right to amend and/or supplement this Proof of Claim at any time and in any manner, including, without limitation to assert claims for interest, fees, penalties, charges, attorneys fees and expenses accrued before or after the Filing Date. Claimant further reserves the right to file additional proofs of claim or applications for allowance of administrative expenses or other priority status in this or any other proceeding arising from or related to the claims described herein, including for treatment as provided in section 503(b) of the Bankruptcy Code.

9. In executing and filing this Proof of Claim, Claimant does not waive any obligation owed to Claimant by BLMIS or any past, present or future breaches of agreements by BLMIS. Claimant further does not waive, and this Proof of Claim shall not be deemed or construed to waive, any claims or right to assert any claims, or preserve any remedies, Claimant has against BLMIS or its affiliates, whether arising from or related to transactions described herein or otherwise. Claimant believes such claims are substantial and reserves all of its rights and remedies in connection therewith. In particular, and without

limitation, Claimant reserves all of his rights with respect to all claims for fraudulent inducement against the Debtor concerning the Claimant's investment of \$5,000,000 in Madoff Securities International Ltd.

10. The filing of this Proof of Claim is not and shall not be deemed or construed as: (a) a waiver or release of Claimant's rights against any person, entity, or property; (b) a consent by Claimant to the jurisdiction of this Court or any other court with respect to proceedings, if any, commenced in any case against or otherwise involving Claimant; (c) a waiver or release of Claimant's right to trial by jury in this Court or any other court in any proceeding as to any and all matters so triable herein, whether or not the same be designated legal or private rights or in any case, controversy, or proceeding related hereto, notwithstanding the designation or not of such matters as "core proceedings" pursuant to 28 U.S.C. § 157(b)(2), and whether such jury trial right is pursuant to statute or the United States Constitution; (d) a consent by Claimant to a jury trial in this Court or any other court in any proceeding as to any and all matters so triable herein or in any case, controversy, or proceeding related hereto, pursuant to 28 U.S.C. § 157(e) or otherwise; (e) a waiver or release of Claimant's right to have any and all final orders in any and all non-core matters or proceedings entered only after *de novo* review by a United States District Court Judge; (f) a waiver of the right to move to withdraw the reference with respect to the subject matter of this Proof of Claim, any objection thereto or other proceeding which may be commenced in this case against or otherwise involving Claimant; or (g) an election of remedies.

11. All notices regarding this Proof of Claim should be sent to: Mark Madoff, [REDACTED], with copies to Paul, Weiss,

Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, New York

10019-6064, Telephone: (212) 373-3000, Attention: Martin Flumenbaum.

THE FOREGOING CLAIM IS TRUE AND ACCURATE TO THE BEST OF MY
INFORMATION AND BELIEF.


Mark Madoff

Exhibit A

MADC1319_Third Amended_00000111

Exhibit B

Employer's name (and address, if different from the address on the Form W-2) Bernard L. Madoff Investment Securities LLC 885 Third Avenue New York, NY 10022		OMB No. 1545-0047 Form W-2		Copy B To Be Filed with Employer's FEDERAL Tax Return. (For the IRS of the employee's residence.)		1 Wages, tips, other compensation 992850.00	2 Federal income tax withheld 323783.43
3 Social Security number [REDACTED]		4 Social Security wages 102000.00	5 Medicare wages and tips 1008150.00	6 Medicare tax withheld 14618.18	7 Social Security type 1	8 Alternative EIC payment [REDACTED]	9 Other Health/Den 8350.0 Med Spend 7500.0
10 Employee's name, address and ZIP code Mark Madoff [REDACTED]		11 Dependents (see instructions) [REDACTED]	12 Dependent care benefits [REDACTED]	13 Health/Savings plan [REDACTED]	14 Health/Savings plan [REDACTED]	15 Local income tax 38225.00	16 Locality name NYC
17 State NY	18 State wages, tips, etc. 992850.00	19 State income tax 72062.21	20 Local wages, tips, etc. 992850.00	21 Local income tax 38225.00	22 Locality name NYC		

Form W-2 Wage and Tax Statement 2008 Department of the Treasury—Internal Revenue Service Safe, accurate, FAST! Use

Employer's name (and address, if different from the address on the Form W-2) Bernard L. Madoff Investment Securities LLC 885 Third Avenue New York, NY 10022		OMB No. 1545-0047 Form W-2		Copy C To Be Filed with Employee's State, City or Local Income Tax Return.		1 Wages, tips, other compensation 992850.00	2 Federal income tax withheld 323783.43
3 Social Security number [REDACTED]		4 Social Security wages 102000.00	5 Medicare wages and tips 1008150.00	6 Medicare tax withheld 14618.18	7 Social Security type 1	8 Alternative EIC payment [REDACTED]	9 Other Health/Den 8350.0 Med Spend 7500.0
10 Employee's name, address and ZIP code Mark Madoff [REDACTED]		11 Dependents (see instructions) [REDACTED]	12 Dependent care benefits [REDACTED]	13 Health/Savings plan [REDACTED]	14 Health/Savings plan [REDACTED]	15 Local income tax 38225.00	16 Locality name NYC
17 State NY	18 State wages, tips, etc. 992850.00	19 State income tax 72062.21	20 Local wages, tips, etc. 992850.00	21 Local income tax 38225.00	22 Locality name NYC		

Form W-2 Wage and Tax Statement 2008 Department of the Treasury—Internal Revenue Service Safe, accurate, FAST! Use

Employer's name (and address, if different from the address on the Form W-2) Bernard L. Madoff Investment Securities LLC 885 Third Avenue New York, NY 10022		OMB No. 1545-0047 Form W-2		Copy D To Be Filed with Employee's State, City or Local Income Tax Return.		1 Wages, tips, other compensation 992850.00	2 Federal income tax withheld 323783.43
3 Social Security number [REDACTED]		4 Social Security wages 102000.00	5 Medicare wages and tips 1008150.00	6 Medicare tax withheld 14618.18	7 Social Security type 1	8 Alternative EIC payment [REDACTED]	9 Other Health/Den 8350.0 Med Spend 7500.0
10 Employee's name, address and ZIP code Mark Madoff [REDACTED]		11 Dependents (see instructions) [REDACTED]	12 Dependent care benefits [REDACTED]	13 Health/Savings plan [REDACTED]	14 Health/Savings plan [REDACTED]	15 Local income tax 38225.00	16 Locality name NYC
17 State NY	18 State wages, tips, etc. 992850.00	19 State income tax 72062.21	20 Local wages, tips, etc. 992850.00	21 Local income tax 38225.00	22 Locality name NYC		

Form W-2 Wage and Tax Statement 2008 Department of the Treasury—Internal Revenue Service Safe, accurate, FAST! Use

EXHIBIT H

Pg 212 of 212
 ANDREW AND DEBORAH MADOFF'S BLMIS CUSTOMER CLAIMS

<u>BLMIS Account Number</u>	<u>BLMIS Account Name</u>	<u>Claim Filed By</u>	<u>Date Claim Filed</u>	<u>Claim Number (s)</u>	<u>Status of Claim</u>	<u>Date Objection Filed</u>
1M0107	ANDREW MADOFF	Andrew Madoff	7/2/2009	015306, 015383	Deemed Determined	N/A
1M0107	ANDREW MADOFF	Andrew Madoff	7/6/2009	070065	Deemed Determined	N/A
1M0108	ANDREW MADOFF & DEBORAH MADOFF J/T WROS	Andrew Madoff (and Deborah Madoff)	7/2/2009	015382	Deemed Determined	N/A
1M0108	ANDREW MADOFF & DEBORAH MADOFF J/T WROS	Andrew Madoff (and Deborah Madoff)	7/6/2009	070066	Deemed Determined	N/A