

Unknown

From: Lamore, Peter
Sent: Friday, May 27, 2005 10:48 AM
To: Ostrow, William D.
Subject: RE:

Good points but I suggest we hold off on those questions until we receive the statements and other information.

From: Ostrow, William D.
Sent: Friday, May 27, 2005 10:43 AM
To: Lamore, Peter
Subject: RE:

We also want to know how that basket of trades is submitted to the 50 brokers in London. Maybe he just logs onto Barclays website and has an interface through them. How is the basket represented to these 50 brokers? Is it shown as Madoff being the customer? Is Barclays considered the customer? Is the whole size shown at once? Does it get shown piecemeal if it is done over three days? Why does he use Barclays as opposed to his London affiliate? What does Barclays charge per share?

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Personal Privacy

From: Lamore, Peter
Sent: Friday, May 27, 2005 10:28 AM
To: Ostrow, William D.
Subject: RE:

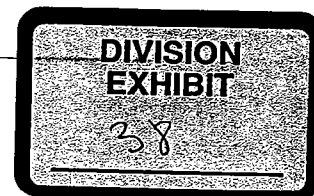
Right, I guess that I'm ready for the weekend...

I confirmed with Bernie that there are no other Models/Algorithms that are used in the same fashion as MA2.06 in which someone at Madoff has Trading Authority. (No more surprises)

He explained that once the basket is created, it is advertised to approximately 50 Brokers in Europe. These brokers "interact" with the basket meaning they can sell to buy orders or buy the sell orders. One of the brokers Bernie mentioned was Commerzbank which I believe they either built or were going to build a technology platform for. I will ask him to provide a list of the 50 brokers when I submit the request list.

Regarding the settlement and clearance process, he stated that Barclays clears the trades and then delivers the funds/shares to the customers. There is no prime broker, Barclays clears the trades for Madoff.

From: Ostrow, William D.
Sent: Friday, May 27, 2005 10:02 AM
To: Lamore, Peter
Subject: RE:



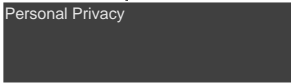
On the first page of the directive they define BLMIS to be Bernard L Madoff Investment Securities. London would

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be MSLI.

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From: Lamore, Peter
Sent: Friday, May 27, 2005 10:00 AM
To: Ostrow, William D.
Subject:

Did you or John also notice that the second to last sentence in the Trading Directive is "The commission equivalents stated above will be BLMIS' only compensation." BLMIS is the London office. No?

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MADOFF_EXHIBITS-04191