

The Fairfield Greenwich Group and its employees are victims of the Madoff fraud. Fairfield personnel invested with Madoff alongside our customers, and we appear to have lost \$60 million of our own money.

Over the course of a 20-year relationship, Fairfield received trading confirmations from Madoff that purported to reflect the trades he was making for our investors. Our investors received over \$3 billion in response to redemption requests that were honored promptly and without question by Madoff.

Contrary to speculation that has appeared in the media, Fairfield engaged in continuous, ongoing monitoring of Madoff's activity. That monitoring and the fact that every redemption request was honored -- combined with Madoff's then-impeccable credentials, reputation and technology, multiple reviews of Madoff by the SEC, the NASD and numerous auditors and investors, high credit ratings assigned to Madoff-related products by Fitch, S&P and Moody's, and an unblemished course of dealing over many years -- all contributed to our confidence that the investments with Madoff were appropriate and safe.

In light of Madoff's shocking fraud, our confidence proved tragically misplaced. We are working with the authorities, our counsel and our related organizations to attempt to recover as much as possible of the losses that everyone who invested with Madoff has sustained.