



SECURITIES INVESTOR PROTECTION CORPORATION
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November 1, 2010

Mr. Ron Stein, President
Network for Investor Action and Protection
P. O. Box 2159
Halesite, New York 11743

Dear Mr. Stein:

I have received your letter dated October 18, 2010, with respect to the liquidation of Bernard L Madoff Investment Securities LLC ("BLMIS"). The letter states that you are concerned about the access to records for claimants in the Madoff proceeding.

You have inquired as to whether certain transactions "were actually fraudulent transactions," or whether securities were actually purchased for any particular account. In connection with the Trustee's "net equity" motion, the Trustee submitted a declaration of Joseph Looby of FTI Consulting dated October 16, 2009 (Docket Entry #524) that, with very few exceptions, there had been no trading of securities for the accounts of BLMIS customers. At no time has that Declaration been controverted. The Trustee cannot produce records of transactions that did not take place.

With respect to specific claims, the Trustee and his staff are completely transparent as to how any claim is determined. Every claimant receiving a Trustee's Determination receives a detailed explanation of how the Trustee arrived at the cash in/cash out amount for that account. Where a claimant has raised questions with respect to documenting the calculations, the Trustee's staff has responded to the claimant and, if necessary, has provided documentation to the claimant. It would be helpful and speed the process if any person challenging the Trustee's calculations would provide the Trustee with evidence that the calculations are incorrect. Please keep in mind that, as a matter of law, a claimant seeking preferred "customer" status in this insolvency has the burden of proving all aspects of his claim, including the amount.

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In short, no claimant has been denied access to documents in the Trustee's control. What the Trustee has not done, and should not do, is make Madoff's client records generally available to the public, including to your organization, for reasons of privacy. I trust this answers the concerns in your letter.

Very truly yours,



Stephen P. Harbeck
President

SPH:VED

cc: The Honorable Barney Frank, Chairman
Committee on Financial Services

The Honorable Spencer Bachus, Ranking Member
Committee on Financial Services

The Honorable Paul Kanjorski, Chairman
Subcommittee on Capital Markets, Insurance and
Government Sponsored Enterprises

The Honorable Scott Garrett, Ranking Member
Subcommittee on Capital Markets, Insurance and
Government Sponsored Enterprises