



Fairfield Police Department

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David J. Peck
Chief of Police



INFORMATIONAL HEARING ON INVESTMENT FUNDS February 27, 2009

On December 30, 2008 the Fairfield Police Department, specifically Lt Chris Lyddy and myself, met with the First Selectman of Fairfield Ken Flatto, and representatives of the Fairfield Employee Retirement Board, who lodged a complaint regarding funds they believe had been stolen from their account.

The complaint focused on a portion of funds which ultimately made their way into Madoff Securities under the control of Bernard Madoff. It was no secret at the time that Mr. Madoff had admitted to Federal Investigators that under the guise of his financial organization, he undoubtedly committed one of the largest frauds in recent history, and that a Federal Prosecution was ongoing.

The investigation is ongoing and has revealed the Town of Fairfield made two payments to Madoff LLC through MAXAM CAPITOL LLC, a Connecticut based feeder fund in the amounts of \$30 million dollars in ~~January 2008~~ ^{July} and approximately \$7.5 Million on ~~July 3rd 2008~~ ^{January}.

Our criminal investigation has focused on the role Mr Madoff and potentially others have played in receiving the money, not utilizing it for its intended purposes, mainly investments, and perpetuating the scheme by submitting fraudulent documents leading investors to believe the funds were properly invested, with marginally successful returns.

The Town of Fairfield's Police Departments investigation in no way diminishes the role Federal authorities and SEC play in this investigation. However it is clear to us that violations of Ct State Statutes have occurred and the Fairfield Police Departments position is one of responsibility in conducting the investigation.

Deputy Police Chief Gary MacNamara
Lieutenant Christopher Lyddy