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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	**Chapter 15 Case**
FAIRFIELD SENTRY LIMITED, et al.,	**Case No.10-13164 (BRL)**
Debtors in Foreign Proceedings.	**Jointly Administered**
FAIRFIELD SENTRY LIMITED (IN LIQUIDATION), **Plaintiff,** **-against-** **FAIRFIELD GREENWICH GROUP, FAIRFIELD GREENWICH (BERMUDA) LIMITED, FAIRFIELD GREENWICH ADVISORS, LLC, FAIRFIELD GREENWICH LIMITED, FAIRFIELD INTERNATIONAL MANAGERS, INC., WALTER M. NOEL, JR., JEFFREY TUCKER, ANDRES PIEDRAHITA, AMIT VIJAYVERGIYA, LURDES BARRENCHE, CORNELIS BOELE, PHILIP TOUB, RICHARD LANDSBERGER, CHARLES MURPHY, ANDREW SMITH, DANIEL LIPTON, MARK MCKEEFRY, HAROLD GREISMAN, SANTIAGO REYES, JACQUELINE HARARY, ROBERT BLUM, CORINA NOEL PIEDRAHITA, MARIA TERESA PULIDO MENDOZA, and JOHN DOES 1-20.** **Defendants.**	**Adv. Pro. No. 10-03800 (BRL)** **FIRST AMENDED COMPLAINT**

Fairfield Sentry Limited ("Sentry" or the "Fund"), by and through Kenneth Krys and Joanna Lau (together with their predecessors, the "Foreign Representatives"), solely in their capacities as the Foreign Representatives and Liquidators of the Fund in liquidation proceedings pending before the Commercial Division of the Eastern Caribbean High Court of Justice, British Virgin Islands (the "BVI Court"), allege the following based on personal knowledge or information derived from the books and records of the Fund or from other sources, including, *inter alia*, court filings and statements of governmental agencies and other parties.

NATURE OF THE ACTION

1. The Fund, the largest victim of the fraud perpetrated by Bernard L. Madoff ("Madoff"), brings this action to recover, among other things, in excess of $919 million in investment management and performance fees that the Fund mistakenly paid to Defendants Fairfield Greenwich Limited ("FGL") and Fairfield Greenwich (Bermuda) Ltd. ("FGBL"). As explained herein, FGL and FGBL were formerly the Fund's investment managers and were paid these fees by the Fund based on the supposed existence of billions of dollars of assets under management owned by the Fund as shown on account statements issued by Bernard L. Madoff Investment Securities LLC ("BLMIS"), Madoff's brokerage and investment advisory entity. In reality, as is now widely known, Madoff used BLMIS to operate a massive Ponzi scheme, and none of the assets supposedly held by BLMIS for the Fund existed in fact. Accordingly, the Fund is entitled to restitution, with interest, from FGL and FGBL, as well as from the other Defendants, each of whom received some of the fees paid by the Fund, of all investment management and performance fees paid by the Fund, together

with damages sustained by the Fund as a result of Defendants' breaches of their contractual and fiduciary duties.

PARTIES

The Fund

2. The Fund was incorporated on October 30, 1990 under the International Business Companies Act of the British Virgin Islands, automatically re-registered on January 1, 2007 as a business company under the BVI Business Companies Act of 2004 of the British Virgin Islands, and recognized as a professional fund under the 1996 Mutual Funds Act of the British Virgin Islands. The Fund commenced operations on December 1, 1990.

3. Shares of the Fund were redeemable at the option of investors for the per share "Net Asset Value." Net Asset Value was to be calculated in accordance with the Fund's governing documents pursuant to which Net Asset Value was defined, as a general matter, as the Fund's total assets including all cash and cash equivalents, securities positions valued at closing prices, the liquidation value of option positions, less total liabilities of the Fund.

4. The Fund is currently in liquidation in proceedings commenced on April 21, 2009 in the Commercial Division of the High Court of Justice, British Virgin Islands (the "BVI Court").

The Fairfield Entity Defendants

5. Defendant Fairfield Greenwich Group ("FGG") was founded in 1983 and is a de facto partnership or partnership by estoppel. This de facto partnership or partnership by estoppel comprises domestic and foreign corporations, general and limited partnerships, limited liability companies and trusts. "Fairfield Greenwich Group" was

marketed by FGG as an experienced alternative asset manager and an independent employee-owned firm with 23 partners. As of October 2008, FGG claimed to have $16 billion of assets under management -- $7.3 billion of which was purportedly in the Fund and the rest in various other investment funds. FGG's principal place of business is in New York where it maintained or formerly maintained an office at 919 Third Avenue, New York, New York 10022.

6. Defendant Fairfield Greenwich Limited ("FGL") is a company incorporated and existing under the laws of the Cayman Islands. From at least December 31, 2001 to July 1, 2003, FGL served as the Fund's investment manager pursuant to an investment management agreement, under which it was compensated in the form of management and performance fees. From July 1, 2003 to December 11, 2008, FGL was compensated as the Fund's placement agent in connection with the offering of the Fund's shares pursuant to private placement memoranda. Further, as the parent company of FGBL (as defined below), FGL has also received a portion of investment and performance fees paid to FGBL since July 2003. FGL is registered as a foreign company authorized to conduct business in New York County. FGL maintains, or formerly maintained, an office in New York.

7. Defendant Fairfield Greenwich (Bermuda) Ltd. ("FGBL") is a company incorporated and existing under the laws of Bermuda with its principal place of business at 12 Church Street, Suite 606, Hamilton, Bermuda, HM 11. FGBL is a wholly owned subsidiary of FGL. From at least July 1, 2003 to December 11, 2008, FGBL was the Fund's investment adviser pursuant to an investment management agreement, under which it was paid management and performance fees. FGBL conducts business in New York and certain of its employees are, or formerly were, based in New York.

8. Defendant Fairfield Greenwich Advisors LLC ("FGA") is a limited liability company organized under the laws of the State of Delaware and is registered to do business in New York. FGL is the sole member and owner of FGA. From at least July 1, 2003 to December 11, 2008, pursuant to investment management agreements, FGA received a percentage of the management fees paid to FGBL for bearing certain of the Fund's internal and operational expenses. FGA's principal place of business is, or formerly was, in New York.

9. Fairfield International Managers, Inc. ("FIM") is a company organized in Delaware. FIM served as the Fund's initial investment manager starting in November 1990 under an investment management agreement. FIM is an owner of FGL. As an owner of FGL, and as the Fund's previous investment and risk manager, FIM has been paid management and performance fees on the SSC Investments (as hereinafter defined). FIM conducts business in New York.

10. FGG, FGL, FGBL, FGA, and FIM are referred to herein as the "Fairfield Entity Defendants."

The Fairfield Individual Defendants

11. Defendant Walter M. Noel, Jr. ("Noel") is a founding partner of FGG and serves on the Fund's Board of Directors. Based on Defendants' business records, Noel is a principal and/or controlling person of the Fairfield Entity Defendants and has an equity share of FGG and/or investment funds managed by FGG. Accordingly, Noel has received a percentage of the management and performance fees paid to the Fairfield Entity Defendants, and he is liable to the Fund in his capacity as a principal and/or controlling person of the

Fairfield Entity Defendants. Noel maintains a residence in New York and conducts business in New York.

12. Defendant Jeffrey Tucker ("Tucker") is a founding partner of FGG and oversees FGG's business operations. Based on Defendants' business records, Tucker is a principal and/or controlling person of the Fairfield Entity Defendants and has an equity share of FGG and/or investment funds managed by FGG. Accordingly, Tucker has received a percentage of the management and performance fees paid to the Fairfield Entity Defendants. Tucker maintains a residence in New York and conducts business in New York.

13. Defendant Andres Piedrahita ("Piedrahita") is controlling partner of FGG and serves as the President and Director of FGBL. Based on Defendants' business records, Piedrahita is a controlling person and/or owner of the Fairfield Entity Defendants and has an equity share of FGG and/or investment funds managed by FGG. Accordingly, Piedrahita has received a percentage of the management and performance fees paid to the Fairfield Entity Defendants. Piedrahita conducts business in New York.

14. Defendant Amit Vijayvergiya ("Vijayvergiya") is a citizen of Canada. Vijayvergiya is the Managing Director and Chief Risk Officer of FGBL. Vijayvergiya joined FGBL in 2003 and was responsible for the Fund's risk management. Based on Defendants' business records, Vijayvergiya has an equity share of FGG and/or investment funds managed by FGG. Accordingly, Vijayvergiya has received a share of the management and performance fees paid to the Fairfield Entity Defendants. Vijayvergiya conducted business in New York.

15. Lourdes Barranche ("Barranche") is a partner in FGG. According to Defendants' business records, Barranche has been with FGG since 1997, and she is an international sales specialist and has marketed FGG's investment funds. Barranche has an

equity share of FGG and/or investment funds managed by FGG. Accordingly, Barranche has received a share of the management and performance fees paid to the Fairfield Entity Defendants. Barranche is based in FGG's New York office.

16. Cornelis Boele ("Boele") is a partner of FGG. According to Defendants' business records, Boele has been with FGG since 1997 and oversees the marketing efforts of the offshore funds of FGG in the Benelux region and markets throughout Europe. Boele has an equity share of FGG and/or investment funds managed by FGG. Accordingly, Boele has received a share of the management and performance fees paid to the Fairfield Entity Defendants. Boele is based in FGG's New York office.

17. Philip Toub ("Toub") is a partner in FGG. According to Defendants' business records, Toub has been with FGG since 1997 and is a member of FGG's Executive Committee. Toub markets FGG's offshore funds and assists in the development of new products. Toub has an equity share of FGG and/or investment funds managed by FGG. Accordingly, Toub has received a share of the management and performance fees paid to the Fairfield Entity Defendants. Toub is based in FGG's New York office.

18. Richard Landsberger ("Landsberger") is a partner in FGG. According to Defendants' business records, Landsberger joined FGG in 2001 and he is a member of FGG's Executive Committee. Landsberger is responsible for business development and general management issues in Europe and Asia and directly markets products to FGG's global institutional client base. Landsberger has an equity share of FGG and/or investment funds managed by FGG. Accordingly, Landsberger has received a share of the management and performance fees paid to the Fairfield Entity Defendants. Landsberger is based in FGG's London office. On information and belief, Landsberger conducts business in New York.

19. Charles Murphy ("Murphy") is a partner in FGG. On information and belief, Murphy joined FGG in 2007. According to Defendants' business records, Murphy is a member of FGG's Executive Committee and is responsible for strategy and capital markets business for FGG. Murphy has an equity share of FGG and/or investment funds managed by FGG. Accordingly, Murphy has received a share of the management and performance fees paid to the Fairfield Entity Defendants. Murphy is based in FGG's New York office.

20. Daniel Lipton ("Lipton") is a partner in FGG. According to Defendants' business records, Lipton joined FGG in 2002 and he serves as its Chief Financial Officer. Lipton was involved in preparing the Fund's financial statements and reports stating the Net Asset Value of shares of the Fund ("Net Asset Value Reports"). Lipton has an equity share of FGG and/or investment funds managed by FGG. Accordingly, Lipton has received a share of the management and performance fees paid to the Fairfield Entity Defendants. Lipton is based in FGG's New York office.

21. Mark McKeefry ("McKeefry") is a partner in FGG. According to Defendants' business records, McKeefry joined FGG in 2003 and he serves as its Chief Operating Officer and General Counsel. McKeefry has an equity share of FGG and/or investment funds managed by FGG. Accordingly, McKeefry has received a share of the management and performance fees paid to the Fairfield Entity Defendants. McKeefry is based in FGG's New York office.

22. Harold Greisman ("Greisman") is a partner in FGG. According to Defendants' business records, Greisman joined FGG in 1990 and he evaluates alternative asset investment and managers. Greisman has an equity share of FGG and/or investment funds managed by FGG. Accordingly, Greisman has received a share of the management and

performance fees paid to the Fairfield Entity Defendants. Greisman is based in FGG's New York and London offices.

23. Santiago Reyes ("Reyes") is a partner in FGG. According to Defendants' business records, Reyes joined FGG in 1996 and is head of FGG's Miami office. Reyes markets FGG's offshore funds worldwide. Reyes has an equity share of FGG and/or investment funds managed by FGG. Accordingly, Reyes has received a share of the management and performance fees paid to the Fairfield Entity Defendants. On information and belief, Reyes conducts business in New York.

24. Jacqueline Harary ("Harary") is a partner in FGG. According to Defendants' business records, Harary markets FGG's funds worldwide and is involved with the selection of investment managers and product development. Harary joined FGG in 1997 and has an equity share of FGG and/or investment funds managed by FGG. Accordingly, Harary has received a share of the management and performance fees paid to the Fairfield Entity Defendants. Harary is based in FGG's New York office.

25. Robert Blum ("Blum") was a Managing Partner and Chief Operating Officer of FGG from 2000 to 2005. According to Defendants' business records, Blum continues to share in the profits of FGG and/or investment funds managed by FGG. Accordingly, Blum has received a share of the management and performance fees paid to the Fairfield Entity Defendants. Blum was based in FGG's New York office.

26. Corina Noel Piedrahita ("Corina Piedrahita") is a partner in FGG. According to Defendants' business records, Corina Piedrahita markets FGG's funds and has an equity share of FGG and/or investment funds managed by FGG. Accordingly, Corina

Piedrahita has received a share of the management and performance fees paid to the Fairfield Entity Defendants. Corina Piedrahita conducts business in New York.

27. Maria Teresa Pulido Mendoza ("Mendoza") is a partner in FGG. On information and belief, Mendoza is head of FGG's global sales and is based in New York. According to Defendants' business records, Mendoza has an equity share of FGG and/or investment funds managed by FGG, and she has received a share of the management and performance fees paid to the Fairfield Entity Defendants.

28. John Does 1-20 are unknown partners, officers or employees of FGG who received a share of the management and performance fees paid to the Fairfield Entity Defendants.

29. The FGG partners referred in paragraphs 19 through 28 are hereinafter referred to as the "Fairfield Individual Defendants," and are named herein for, among other reasons, because they received management and performance fees which were based on non-existent assets supposedly under management by the Fairfield Entity Defendants.

JURISDICTION AND VENUE

30. Jurisdiction is proper in this Court pursuant to 28 U.S.C. § 1334(b).

31. This is a core proceeding under 28 U.S.C. § 157(b)(2).

32. Defendants either reside, conduct, or conducted business, within the State of New York. Further, FGG, FGA and FGL maintain or formerly maintained their principal place of business in New York.

33. Venue is proper in this Court pursuant to 28 U.S.C. § 1409(a).

ALLEGATIONS OF FACT

34. The Fund was created as a means for private investment in managed accounts with Bernard L. Madoff Investment Securities LLC ("BLMIS"), the brokerage business that Madoff used to perpetrate his massive Ponzi scheme.

35. The Fund raised money for investment in BLMIS through the sale of shares. Substantially all of the money (some 95%) that the Fund raised, net of fees and expenses, was transferred to BLMIS, through Sentry, and supposedly credited to accounts held in the name of Sentry. According to private placement memoranda issued from time to time on behalf of the Fund, proceeds of the sales of Fund shares were invested in securities purchased by BLMIS to implement an investment strategy referred to as "split strike conversion." The Fund's investments with BLMIS are referred hereinafter as the "SSC Investments." On January 12, 1995, shares of the Fund were listed on the Irish Stock Exchange in Dublin, Ireland.

36. FIM was the Fund's first investment manager under an investment management agreement dated November 15, 1990 (the "November 15, 1990 IMA"). Under that agreement, FIM established a brokerage account on behalf of the Fund with C&M Trading, an investment vehicle operating in association with Madoff ("CMT"), which received an allocation of the Fund's assets for the purpose of trading in equity and options on securities. See November 15, 1990 IMA ¶ 1. The November 15, 1990 IMA provided, inter alia, that FIM "shall use its best efforts to monitor the performance and activities of CMT." Id. ¶ 2. FIM was paid a 20% performance fee on appreciation of the Fund's Net Asset Value from investments with Madoff. Id. ¶ 7. No management fee was charged. The November 15, 1990 IMA

provides that it "shall be governed and construed in accordance with the laws of New York." Id. ¶ 8. A copy of the November 15, 1990 IMA is attached as Ex. 1.

37. On or about October 1, 2002, the Fund and FGL entered into an Amended and Restated Investment Management Agreement, which was in effect until June 30, 2003 (the "October 1, 2002 IMA"). Under that agreement, FGL agreed, among other things, to manage the SSC Investments and use its "best efforts to monitor the activities and performance of [BLMIS] and any [non-BLMIS] investments." October 1, 2002 IMA ¶ 2. The Fund paid FGL a 20% performance fee based on the Fund's net asset appreciation generated from the SSC Investments. Id. at ¶ 7(a). No management fee was charged under the agreement. Id. Like the November 15, 1990 IMA, the October 1, 2002 IMA provided that it shall be construed and governed in accordance with the laws of the State of New York, without regard to the principles of conflicts of laws thereof. Id. at ¶ 14. A copy of the October 1, 2002 IMA is attached as Ex. 2.

38. On October 1, 2004, the Fund executed an Investment Management Agreement with FGBL (the "October 1, 2004 IMA"). The October 1, 2004 IMA superseded an investment management agreement entered into between the Fund and FGBL on July 1, 2003 (the "July 1, 2003 IMA") and contained revisions reflecting the conversion of Class B Shares into Class A Shares and the redesignation of Class A Shares as Shares of the Fund.[1] Prior to October 1, 2004, Class B Shares were charged both a 20% performance fee and a 1% management fee. Class A Shares were charged only the 20% performance fee. Effective October 1, 2004, on the recommendation of the Fairfield Entity Defendants, it was decided that a 1% monthly management fee and a 20% quarterly performance fee shall be charged to all of the Fund's shares. Pursuant to these provisions, the Fairfield Entity Defendants were to

[1] The October 1, 2004 IMA and July 1, 2003 IMA provide that they shall be construed under the laws of Bermuda.

be paid a management fee based on the Fund's assets under management regardless of whether a profit on those assets were realized. Copies of the July 1, 2003 IMA and the October 1, 2004 IMA are attached as Ex. 3 and Ex. 4, respectively.

39. Under the October 1, 2004 IMA, FGBL was required to use "best efforts" to (a) manage the Fund's investment portfolio, (b) oversee the Fund's day-to-day investment operations, (c) act as the Fund's investment adviser, (d) provide information to the Fund and Shareholders, and (e) arrange for and oversee services of the Fund's auditors, custodian(s) and administrators. See October 1, 2004 IMA, ¶ 2. Section 2 of the July 1, 2003 IMA mirrors that of the October 1, 2004 IMA.

40. Under the October 1, 2004 IMA, FGBL was paid a fixed monthly management fee in an amount equal to one-twelfth of one percent (0.833%) of the Net Asset Value of the Fund.

41. FGBL paid FGA a monthly fee in an amount equal to one-fortieth of one percent of the amount calculated as the Fund's Net Asset Value for bearing certain of the Fund's internal accounting and operational expenses. See October 1, 2004 IMA ¶ 9.

42. Under all of the investment management agreements between the Fund and the Fairfield Entity Defendants, the investment manager was to be paid a quarterly performance fee in an amount equal to 20% of the amount of the net realized and unrealized appreciation in the Fund's Net Asset Value of each Share in such calendar quarter.

43. BLMIS provided periodic account statements and other data to the Fairfield Entity Defendants. These account statements listed the securities and options that Madoff had purportedly purchased and sold on the Fund's account. These account statements and/or other materials provided by BLMIS to the Fairfield Entity Defendants were used to

calculate the Net Asset Value of the Fund for purposes of redemptions of Shares and the calculation of management and performance fees to be paid under the investment management agreements.

44. The Net Asset Value of the Fund, calculated using the false BLMIS statements, was included in the Net Asset Value Reports and in the Fund's unaudited financial and audited financial statements.

45. Financial statements of the Fund for the period from fiscal year 2002 through November 2008 show payments made to the Fairfield Entity Defendants in respect of such period in the amount of $919,476,832 supposedly representing payments of management and performance fees:

Year	**Performance Fees**	**Management Fees**	**Total**
Through November 2008	$97,373,819	$65,930,013	$163,303,832
2007	$116,257,000	$67,322,000	$183,579,000
2006	$107,779,000	$50,465,000	$158,244,000
2005	$87,225,000	$51,127,000	$138,352,000
2004	$81,278,000	$21,549,000	$102,827,000
2003	$80,515,000	$5,221,000	$85,736,000
2002	$83,591,000	$3,844,000	$87,435,000
Total for the above period	**$654,018,819**	**$265,458,013**	**$919,476,832**

46. In addition, under certain deferred fee agreements, the Fairfield Entity Defendants elected to defer certain management and performance fees derived from the SSC

Investments, which were recorded on the Fund's financial statements as a liability in the amount of $26 million.

47. Based on FGG's business records, for 2007 alone, Piedrahita was paid $45.60 million, Tucker was paid $30.67 million, Noel paid $30.67 million, which amounts were, in part, derived from the fees paid by the Fund on the account of the SSC Investments.

48. Further, each of the Fairfield Individual Defendants received compensation derived from fees paid by the Fund on the account of the SSC Investments.

49. On December 11, 2008, Madoff was arrested and charged with running a "Ponzi" scheme in violation of United States securities laws. The SEC also filed a civil complaint in the United States District Court for the Southern District of New York seeking injunctive relief and to have BLMIS placed in receivership. SEC v. Madoff, 08 Civ 1079 (S.D.N.Y.).

50. By Order dated December 15, 2008, Irving Picard, Esq. was appointed the Trustee in charge of presiding over the liquidation of BLMIS under the Securities Investor Protection Act, 15 U.S.C. § 78aaa, et seq. ("SIPA") and the United States Bankruptcy Code.

51. On February 20, 2009, during a public meeting with customers and creditors of BLMIS held in the United States Bankruptcy Court for the Southern District of New York, the Trustee reported that his investigation had revealed, among other things, that BLMIS had not traded or purchased any securities on the account of any customer, including the Fund, for at least the past 13 years.

52. Subsequent to his February 20, 2009 report, the Trustee has represented in pleadings with the United States Bankruptcy Court that there are no records of BLMIS having cleared a single purchase or sale of securities at the Depository Trust Company or any

other trading platform on which BLMIS could have reasonably traded securities. Nor has the Trustee found evidence that BLMIS ever purchased or sold any of the options that Madoff claimed to have purchased on customer statements. See e.g., Picard v. Fairfield Sentry Limited, et al., Adv. Proc. No. 09-1239 (BRL) (Docket No. 1, Complaint ¶ 20).

53. On March 18, 2009, the SEC charged the auditors of BLMIS, David G. Friehling and his firm, Friehling & Horowitz, CPAs, P.C. ("F&H"), with committing securities fraud by representing that they had conducted legitimate audits, when in fact they had not. According to the SEC, F&H enabled Madoff's Ponzi scheme by falsely stating, in annual audit reports, that F&H had audited the financial statements of BLMIS when in fact, F&H "merely pretended to conduct minimal audit procedures," and "failed to document his purported findings" which would have shown BLMIS owed "tens of billions of dollars in additional liabilities to its customers and was therefore insolvent." See SEC Charges Madoff Auditors with Fraud, Litigation Release No. 20959 (March 18, 2009).

54. On March 18, 2009, the United States Attorney for the Southern District of New York charged David G. Friehling, the auditor of BLMIS, with securities fraud, aiding and abetting investment adviser fraud, and four counts of filing false audit reports with the SEC.

55. In sum, Madoff's admission of guilt reveals that the Net Asset Value Reports contained false information, and the Fund mistakenly paid hundreds of millions of dollars in the form of management and performance fees to Defendants based on non-existent assets. Based on the actual amount of assets under management, Defendants were not entitled to the payment of any management or performance fees.

56. By notice dated May 29, 2009, the Fund formally terminated its investment and risk advisory relationship with the Fairfield Entity Defendants.

FIRST CLAIM

(Breach of Contract as against the Fairfield Entity Defendants)

57. Plaintiff realleges paragraphs 1 through 56.

58. The Fund entered into certain investment management agreements, all of which provided, inter alia, that the Fairfield Entity Defendants shall use their "best efforts" to supervise Madoff, BLMIS and CMT and to perform other duties and functions. See November 15, 1990 IMA, ¶ 2; October 1, 2002 IMA ¶ 2; July 1, 2003 IMA, ¶ 2; and October 1, 2004 IMA, ¶ 2.

59. Pursuant to ¶ 2 of the July 1, 2003 IMA and the October 1, 2004 IMA, the Fairfield Entity Defendants were required to use "best efforts" to oversee the Fund's day-to-day investment activities, act as the Fund's investment adviser, provide accurate information to the Fund, and supervise the activities of the Fund's auditors and its administrator.

60. The Fairfield Entity Defendants did not use "best efforts" in supervising BLMIS and Madoff and carrying out their duties under the investment management agreements. Instead, the Fairfield Entity Defendants' performance of their duties under the investment management duties was grossly negligent.

61. As a result of the gross negligence by the Fairfield Entity Defendants in the performance of their duties, the exculpatory and indemnification provisions of the October 1, 2002 IMA (§ 9), July 1, 2003 IMA (§ 10), and the October 1, 2004 IMA (§ 10) are inapplicable and unenforceable.

62. By reason of the Fairfield Entity Defendants breach of the investment management agreements, the Fund is entitled to compensatory damages in an amount to be calculated at trial, but not less than $919,476,832, including the return of all performance and management fees paid dating back to November 1990.

SECOND CLAIM

(Mistaken Payment as against all Defendants)

63. Plaintiff realleges paragraphs 1 through 62.

64. As described above, the Fund paid performance and management fees to the Fairfield Entity Defendants under the mistaken belief that the assets shown on statements from BLMIS represented actual securities and other assets of the Fund.

65. Amounts paid to the Fairfield Entity Defendants by the Fund were paid to other Fairfield Entity Defendants and to the Fairfield Individual Defendants.

66. BLMIS did not hold any securities or interests in securities on account for the Fund and statements showing such assets as being held on account were false.

67. Because the assets upon which the management and performance fees paid to the Fairfield Entity Defendants were supposedly based did not in fact exist, the Fairfield Entity Defendants were not entitled to receive any of the amounts paid to them.

68. The Defendants did not provide valuable consideration for the payments they received, directly or indirectly, from the Fund.

69. It would offend principles of equity and good conscience to permit the Defendants to retain any of the payments of fees they received, directly or indirectly, from the Fund.

70. The Plaintiff is entitled to recover from the Defendants all of the payments received by them, directly or indirectly, from the Fund.

THIRD CLAIM

(Breach of Fiduciary Duty and Duty of Care against the Fairfield Investment Advisor Defendants and the Fairfield Individual Fiduciary Defendants)

71. Plaintiff realleges paragraphs 1 through 70.

72. Independent of the investment management agreements, FIM, FGL and FGBL (the "Fairfield Investment Advisor Defendants") owed a fiduciary obligation and a duty of care to the Fund as investment advisers from November 1990 to May 29, 2009.

73. In addition, Noel, Tucker and Vijayvergiya (the "Fairfield Individual Fiduciary Defendants") owed fiduciary obligations and a duty of care to the Fund by virtue of their positions and roles vis-à-vis the investment and risk operations of the Fund as described and represented in the Fund's private placement memorandum.

74. In connection with the management of its investment portfolio and risk management operations, the Fund reposed confidence in the Fairfield Investment Advisor Defendants and the Fairfield Individual Fiduciary Defendants, and the Fund reasonably relied on their expertise and knowledge.

75. The Fairfield Investment Advisor Defendants and the Fairfield Individual Fiduciary Defendants were grossly negligent and recklessly disregarded their fiduciary duties by their conduct and inaction, including, but not limited to:

(a) Failing to take appropriate steps over the course of 18 years to independently verify that trades on the Fund's accounts were actually executed and option contracts were actually sold and purchased as reflected in the monthly account statements and trade tickets issued by Madoff, BLMIS and CMT;

(b) Failing to safeguard the Fund's assets in the custody of Madoff, BLMIS, CMT, and conduct risk oversight over Madoff, BLMIS and CMT;

(c) Failing to perform adequate due diligence on Madoff, BLMIS and CMT;

(d) Collecting management and performance fees based on inflated Net Asset Values Reports prepared by, or prepared under the supervision of, the Fairfield Investment Advisor Defendants; and

76. By reason of the foregoing, the Fund is entitled to compensatory damages from the Fairfield Investment Advisor Defendants and the Fairfield Individual Fiduciary Defendants in an amount to be calculated at trial, but not less than $919,476,832, including the return of all performance and management fees paid dating back to November 1990.

FOURTH CLAIM

(Unjust Enrichment as against all Defendants)

77. Plaintiff realleges paragraphs 1 through 76.

78. From the outset of their relationship, the Fund has paid, and Defendants have received, directly from the Fund or indirectly through other Defendants or persons, management and performance fees paid based on non-existent assets purportedly held for the Fund on account with BLMIS. In fact, at all relevant times, the Fund had no assets on account at BLMIS.

79. As owners, controlling persons and partners of the Fairfield Entity Defendants, each of the Individual Fairfield Defendants received a share of the management and performance fees that the Fund paid to the Fairfield Entity Defendants.

80. Because each of the Defendants received a share of the more than $919 million dollars of fees which the Fund mistakenly paid based on purported but non-existent assets shown on Net Asset Value Reports, the Defendants have been unjustly enriched at the Fund's expense and are holding monies, which in good conscience and under principles of equity, should be returned to the Fund.

81. Plaintiff is entitled to restitution with interest from the Defendants of all management and performance fees paid.

FIFTH CLAIM

(Constructive Trust as against all Defendants)

82. Plaintiff realleges paragraphs 1 through 81.

83. The Defendants owed fiduciary obligations and a duty of care to the Fund, and they have been unjustly enriched as a result of receiving management and performance fees based on overstated Net Asset Value Reports.

84. Under agreements and other promises, the Fairfield Entity Defendants represented to the Fund that they would use their best efforts to supervise the activities of Madoff, BLMIS and CMT, and that they would independently verify the underlying information of the Net Asset Value Reports on which management and performance fees were calculated and paid.

85. Relying on inflated Net Asset Value Reports, the Fund paid management and performance fees to the Fairfield Entity Defendants for approximately 18 years which were then distributed to the Fairfield Individual Defendants. Therefore, Defendants are holding monies, which in good conscience and under principles of equity, should be returned to the Fund.

86. By reason of the foregoing, the Fund is entitled to a constructive trust imposed on all moneys and other property within the possession, custody or control of each Defendant, including on (a) all management fees received by Defendants, (b) all performance fees received by Defendants, and (c) all assets or compensation received by Defendants in connection with the business of FGG and all of its affiliates.

SIXTH CLAIM

(Accounting as against all Defendants)

87. Plaintiff realleges paragraphs 1 through 86.

88. Under Section 2 of the October 1, 2004 IMA, the Fund is entitled to an accounting of all financial information relating to the Fund, including compensation paid to each Defendant. The Fund has requested information as to all fees paid on the account of the SSC Investments. Defendants have refused to provide it.

89. Moreover, given that the Fund and each Defendant enjoyed a confidential relationship of trust, each Defendant must account for the management and performance fees that they each have received based on the illusory Net Asset Value Reports.

90. The payment of management and performance fees was not justified and a complete accounting should be ordered.

SEVENTH CLAIM

(Declaratory Judgment as against the Fairfield Entity Defendants)

91. Plaintiff realleges paragraphs 1 through 90.

92. Under the Amended and Restated Deferred Fee Agreement, dated July 1, 2003, and the Second Amended and Restated Deferred Fee Agreement, dated December 31, 2008, between the Fund and FGBL (the "Deferred Fee Agreement"), the Fairfield Entity

Defendants elected to defer the payment of certain management and performance fees derived from the SSC Investments (the "Deferred Fees").

93. As of December 31, 2008, the Fairfield Entity Defendants estimated that the Deferred Fees were approximately $26 million, and they were recorded on the Fund's books as a liability.

94. By reason of the foregoing, because the Deferred Fees are based on non-existent assets, the Fund is entitled to a judgment declaring that (a) the Fund does not owe Deferred Fees to the Fairfield Entity Defendants under the investment management agreements an/or the Deferred Fee Agreement, and (b) the Deferred Fees are an asset of the Fund.

RELIEF REQUESTED

WHEREFORE, the Fund requests that the Court grant judgment as follows:

(1) For claim one against the Fairfield Entity Defendants, compensatory damages in an amount to be calculated at trial, but not less than $919,476,832, including the return of all management and performance fees, plus statutory interest;

(2) For claim two against all Defendants, restitution in the amount of no less than $919,476,832, plus statutory interest;

(3) For claim three against the Fairfield Investment Advisor Defendants and the Fairfield Individual Fiduciary Defendants, compensatory damages in an amount to be calculated at trial, but not less than $919,476,832, including the return of all management and performance fees, plus statutory interest;

(4) For claim four against all Defendants, restitution in the amount of no less than $919,476,832, plus statutory interest;

(5) For claim five against all Defendants, a constructive trust over all assets, property, and/or cash currently in the custody and control of each Defendant;

(6) For claim six against all Defendants, an accounting of all of the management and performance fees received by each Defendant from the Fund;

(7) For claim seven against the Fairfield Entity Defendants, a judgment declaring that (a) the Fund does not owe any Deferred Fees to any of the Fairfield Entity Defendants, and (b) the Deferred Fees are an asset of the Fund; and

(8) Such other, further and different relief as the Court deems just and proper, including costs, and attorneys' fees, and disbursement of this action.

Dated: New York, New York
October 27, 2011

BROWN RUDNICK LLP

By: /s/ David. J. Molton
David J. Molton

Seven Times Square
New York, New York 10036
Telephone: (212) 209-4800

Attorneys for the Foreign Representatives

EXHIBIT 1

INVESTMENT MANAGEMENT AGREEMENT

Agreement dated as of NOVEMBER 15, 1990, between Fairfield Sentry Limited, a British Virgin Islands corporation (the "Fund"), having its principal office at Wickams Cay, Box 662, Road Town, Tortola, British Virgin Islands, and Fairfield International Managers, Inc., a Delaware corporation (the "Investment Manager"), having its principal office at 2 Soundview Drive, Greenwich, Connecticut 06830.

WHEREAS, the Fund wishes to obtain the investment advice and investment services of the Investment Manager; and

WHEREAS, the Investment Manager is willing to provide such advice and services on the terms and conditions set forth below,

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements hereinafter set forth, the parties hereby agree as follows:

1. The Fund hereby retains the Investment Manager to manage the investment of its assets as contemplated by those certain Subscription Documents of the Fund, including the Schedules thereto (the "Subscription Documents"). Such management will include, but shall not be limited to establishing

an account on behalf of the Fund with C&M Trading ("CMT") which shall receive an allocation of the Fund's assets for the purpose of trading in equity securities and options on securities. The initial capital in the account will be a minimum of $1,000,000.

2. The activities engaged in by the Investment Manager on behalf of the Fund shall be subject to the policies and control of the Directors of the Fund. The Investment Manager shall use its best efforts to monitor the performance and activities of CMT.

3. The Fund acknowledges that an entity known as Fairfield Strategies Limited, an affiliate of the Investment Manager, has maintained an account with CMT since July 1989.

4. Within 5 days after the end of each week, month or fiscal quarter of the Fund, as the case may be, the Investment Manager shall send to the Fund weekly and monthly valuations of the account with CMT maintained by the Fund. The Investment Manager shall cause any and all documentation respecting such investment to be sent to the Fund. The Investment Manager shall be available at all times, upon reasonable notice, for consultation with the officers and directors of the Fund in connection with the investments of the Fund.

5. The Investment Manager shall for all purposes be an independent contractor and not an agent or employee of the Fund, and the Investment Manager shall have no authority to act for, represent, bind or obligate the Fund except as specifically provided herein.

6. All investments of the Fund shall at all times conform to and be in accordance with the requirements imposed by:

(a) any provisions of applicable law; and

(b) provisions of the Certificate of Incorporation, Memorandum of Association, and Articles of Association of the Fund, as amended from time to time.

The Fund shall furnish the Investment Manager with a copy of the Certificate of Incorporation, Memorandum of Association and Articles of Association, of the Fund as in effect at the commencement of this Agreement and, thereafter, shall promptly furnish the Investment Manager with copies of such documents as they may be amended from time to time.

7. The Fund shall pay the Investment Manager, as full compensation for the services performed by the Investment Manager a performance fee, payable quarterly, in an amount equal to 20% of the amount of any New High Net Profits as defined in Schedule

B to the Subscription Documents (the "Performance Fee"). Payment of the Performance Fee shall be made on or after the last day of each calendar quarter of each year. The net asset value per share at any time shall be determined by dividing the net assets of the Fund at such date by the number of shares of Capital Stock outstanding at such date prior to subscriptions or redemptions at such date. Each payment for services to the Investment Manager shall be accompanied by a report of the Fund, prepared either by the Fund or by an established firm of independent public accountants, which shall show the amount properly payable to the Investment Manager under this Agreement, and the manner of computation thereof.

8. The Investment Manager shall pay any fees assessed by CMT out of the fees paid to it hereunder.

9. The Fund will bear, for each year, all other expenses incurred in the operation of the Fund, including ordinary and necessary expenses directly related to its investment and trading activities, including transactional costs (e.g., brokerage commissions and interest expense) and escrow and custodial fees, all registrar, transfer agent and administration fees, and all legal and auditing fees, including any legal and auditing fees

that relate to extraordinary circumstances, such as tax examinations or litigation involving the Fund or Investment Manager, but excluding any legal fees incurred in connection with the continued offering of the Fund's shares.

10. The Investment Manager agrees to advance all of the Fund's initial organization and offering expenses, which consists solely of the incorporation of the Fund, which amounts shall be reimbursed to the Investment Manager out of the proceeds of the offering of the Fund's shares.

11. The Investment Manager will render the services set forth in this Agreement at its own expense, including without limitation, the salaries of employees necessary for such services, the rent and utilities for the facilities provided, and other advisory and operating expenses, except as assumed by the Fund.

12. The Investment Manager shall not be liable for any error of judgment or for any loss suffered by the Fund in connection with the subject matter of this Agreement, except loss resulting from willful misfeasance, bad faith or gross negligence in the performance of the Investment Manager's obligations and duties, or by reason of the Investment Manager's reckless

disregard of its obligations and duties hereunder.

13. The Investment Manager and the shareholders, directors, employees or officers of the Investment Manager, who may or may not also be shareholders, directors, employees or officers of the Fund, may engage simultaneously with their investment management activities on behalf of the Fund in other businesses, and may render services similar to those described in this Agreement for other individuals, companies, trusts or persons, and shall not by reason of engaging in such other businesses or rendering of services for others be deemed to be acting in conflict with the interests of the Fund. Shareholders, directors, officers or employees of the Investment Manager, in their individual capacities, may be shareholders, directors, officers or employees of the Fund but shall not be deemed thereby to have interests which are in conflict with the interests of the Fund.

14. It is agreed that the starting equity of the Fund shall not be less than $1,000,000.

15. This Agreement shall be in full force and effect on the date of this Agreement and shall continue in effect thereafter. This Agreement may be terminated on notice ten days prior to the end of any calendar quarter, by the delivery of written notice of

termination. During the period between the date when notice of termination is deemed given hereunder and the effective date of termination, the rights, powers and duties of the Investment Manager shall remain in full force and effect but shall be subject to the right of the Fund to direct the liquidation of the Account, which direction shall be given in writing or by telex.

16. Any notice required to be given hereunder shall be in writing and shall be sent by registered or certified air mail, postage prepaid, with return receipt requested, or by means of telecopy or other wire transmission (with request for assurance of receipt in a manner typical with respect to communications of that type), to the Fund and Investment Manager at the addresses indicated hereon, or to such other addresses as the parties may hereafter direct in writing. The effective date of any notice given by mail shall be ten days after the date of mailing thereof; any notice to any party having a telecopy or telex number for the receipt at its address for notice hereunder of messages by transmission by telecopy or telex shall be deemed given when transmitted by telecopy or telex addressed to such party at such telecopy or telex number.

17. This Agreement shall be binding upon and inure to the

benefit of the parties hereto and their respective successors and assigns, and shall not be modified, except in writing, nor assigned by either party without the consent of the other party.

18. This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed as of the day first above written.

FAIRFIELD SENTRY LIMITED

By: Fred Kolber
Fred Kolber, President

FAIRFIELD INTERNATIONAL MANAGERS, INC.

By: Fred Kolber
Fred Kolber, President

EXHIBIT 2

AMENDED AND RESTATED INVESTMENT MANAGEMENT AGREEMENT

This Amended and Restated Investment Management Agreement (the Agreement"), dated as of October 1, 2002, which amends and restates the Investment Management Agreement dated as of December 31, 2001 (the "Original Investment Management Agreement"), between Fairfield Sentry Limited, a British Virgin Islands corporation (the "Fund"), having its registered office at Citco B.V.I. Limited, P.O. Box 662, Road Town, Tortola, British Virgin Islands, and Fairfield Greenwich Limited, a corporation organized under the laws of the Cayman Islands (the "Investment Manager"), having an office at c/o Charles, Adams, Ritchie & Duckworth, Second Floor, Zephyr House, P.O. 709, George Town, Grand Cayman, Cayman Islands, British West Indies.

WHEREAS, the Fund and the Investment Manager are parties to the Original Investment Management Agreement; and

WHEREAS, the Fund and the Investment Manager desire to amend and restate the Original Investment Management Agreement in its entirety on the terms and conditions set forth below,

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements hereinafter set forth, the parties hereby agree as follows:

1. The Fund hereby retains the Investment Manager to manage the investment of its assets as contemplated by and described in the Confidential Private Placement Memorandum of the Fund, as amended October 1, 2002, and as such Confidential Private Placement Memorandum may be further amended (the "Memorandum"). Such management will include, but shall not be limited to maintaining the account established in the name of the Fund at Bernard L. Madoff Investment Securities, Inc., a broker dealer registered with the Securities and

Exchange Commission, in New York, New York ("BLM"), for the purpose of trading in equity securities and options on securities, and to investing assets of the Fund in Non-BLM investment vehicles ("Non-BLM Investments").

2. The activities engaged in by the Investment Manager on behalf of the Fund shall be subject to the policies and control of the Fund's Directors. The Investment Manager shall use its best efforts to monitor the activities and performance of BLM and any Non-BLM Investments.

3. Within 5 days after the end of each week, month or fiscal quarter of the Fund, as the case may be, the Investment Manager shall send to the Fund weekly, monthly and quarterly valuations of the account with BLM maintained by the Fund and weekly, monthly and quarterly valuations of any Non-BLM Investments. The Investment Manager shall cause any and all documentation respecting such account to be sent to the Fund. The Investment Manager shall be available at all times, upon reasonable notice, for consultation with the Directors of the Fund in connection with the investments of the Fund.

4. The Investment Manager shall for all purposes be an independent contractor and not an agent or employee of the Fund, and the Investment Manager shall have no authority to act for, represent, bind or obligate the Fund except as specifically provided herein.

5. All investments of the Fund shall at all times conform to and be in accordance with the requirements imposed by:

(a) any provisions of applicable law; and

(b) provisions of the Certificate of Incorporation, Memorandum of Association, and Articles of Association of the Fund, as amended from time to time.

The Fund shall furnish the Investment Manager with a copy of the Certificate of Incorporation, Memorandum of Association and Articles of Association, of the Fund as in effect at the commencement of this Agreement and, thereafter, shall promptly furnish the Investment Manager with copies of such documents as they may be amended from time to time.

6. The Fund shall bear, for each year, all expenses in maintaining the Fund's offices and all other expenses incurred in the operation of the Fund, including the ordinary and necessary expenses related to the Fund's investment and trading activities (including transactional costs, escrow and custodial fees), all legal and auditing fees, and fees and expenses relating to any extraordinary circumstances, such as tax examinations and litigation involving the Fund; but excluding any legal fees that relate to the continuance of the offering of the Fund's shares.

7. (a) The Fund shall pay the Investment Manager, as full compensation for the services performed by the Investment Manager and the facilities furnished by the Investment Manager a quarterly performance fee (the "Performance Fee"), in an amount equal to 20% of the amount of any New High Net Profits as defined in the Memorandum. Shares of the Fund shall be subject to the payment of the Performance Fee for the portion of each calendar quarter that they are issued and outstanding. For the purposes hereof, the value of the net assets of the Fund and its Net Asset Value per Share (as defined in the Memorandum) shall be computed in the manner specified in the Memorandum for the computation of the value of such net assets in connection with the determination of the redemption price of its shares. Payment of the Performance Fee shall be made to the Investment Manager on or after the last day of each calendar quarter of each year. Each payment to the Investment Manager for services shall be accompanied by a report of the Fund, prepared either by the Fund or by an established firm of

independent public accountants, which shall show the amount properly payable to the Investment Manager under this Agreement, and the manner of computation thereof. The Investment Manager and the Fund may supplement this Agreement at any time to provide for the deferred payment of all or any portion of the fees to be paid to the Investment Manager pursuant to this Agreement.

(b) Notwithstanding the foregoing, in the event that, as at the end of any calendar year, the aggregate amount invested by the Fund in Non-BLM Investments held by the Fund at any time during such year exceeds the aggregate net asset value of the Fund's interests in such Non-BLM Investments at year end and the net amounts realized during the year of such Non-BLM Investments (before reducing the aggregate net asset value of the Fund's interests at year end in such Non-BLM Investments by the Fund's share of fees payable to the portfolio managers of such Non-BLM Investment) (such excess being the "Non-BLM Investment Loss"), the Investment Manager will offset and reduce its Performance Fee payable at such year end and any subsequent quarter end by an amount equal to such Non-BLM Investment Loss. The portion of the Performance Fee that is offset and reduced by the Non-BLM Investment Loss nonetheless will be paid to the Investment Manager by the Fund in the event that the Non-BLM Investment Loss is, in part or in whole, subsequently recouped by the same or other through the performance of Non-BLM Investments.

8. The Investment Manager will render the services set forth in this Agreement at its own expense, including without limitation, the salaries of employees necessary for such services, the rent and utilities for the facilities provided, and other advisory and operating expenses, except as assumed by the Fund in paragraph 6, above; provided, however, that the Fund shall pay the Investment Manager an amount equal to one-fortieth of one percent (0.025%)

of the net asset value of the Fund as of the last day of each calendar quarter in order to reimburse the Investment Manager for bearing certain of the Fund's internal accounting and operational expenses. Payment of this amount shall be made with each payment of the Performance Fee.

9. (a) The Investment Manager, its directors, officers and employees, agents and counsel (each, an "Investment Manager Indemnitee"), shall not be liable to the Fund for any error of judgment or for any loss suffered by the Fund in connection with the subject matter of this Agreement, except loss resulting from willful misfeasance, bad faith or gross negligence in the performance of the Investment Manager's obligations and duties, or by reason of the Investment Manager's reckless disregard of their obligations and duties hereunder.

(b) Each Investment Manager Indemnitee shall not be subject to, and the Fund shall indemnify to the fullest extent permitted by law and hold each Investment Manager Indemnitee free and harmless from and against, any and all claims, demands; liability or expenses for any loss suffered by the Fund arising out or any act or omission of an Investment Manager Indemnitee relating to the Fund, except to the extent such act or omission constitutes willful misconduct, or reckless disregard of the duties of the Investment Manager or on the part of the Investment Manager Indemnitee.

10. The Investment Manager and each of its respective shareholders, directors, employees and officers, may engage simultaneously with their investment management activities on behalf of the Fund in other businesses, and may render services similar to those described in this Agreement for other individuals, companies, trusts or persons, and shall not by reason of

engaging in such other businesses or rendering of services for others be deemed to be acting in conflict with the interests of the Fund.

11. This Agreement shall be in full force and effect on the date of this Agreement and shall continue until the termination by either party on written notice ten days prior to the end of any calendar quarter. During the period between the date when notice of termination is deemed given hereunder and the effective date of termination, the rights, powers and duties of the Investment Manager shall remain in full force and effect but shall be subject to the right of the Fund to direct the liquidation of any investment, which direction shall be given in writing or by facsimile. The Fund represents, covenants and agrees that its decision to terminate this Agreement shall require a unanimous affirmative vote of directors for so long as the Fund has three or less directors and a vote of 75% of the directors casting votes at such time as the Fund has more than three directors.

12. Any notice required to be given hereunder shall be in writing and shall be sent by registered or certified air mail, postage prepaid, with return receipt requested, or by means of facsimile or other wire transmission (with request for assurance of receipt in a manner typical with respect to communications of that type), to the Fund and Investment Manager at the respective addresses indicated in the Memorandum, or to such other addresses as the parties may hereafter direct in writing. The effective date of any notice given by mail shall be ten days after the date of mailing thereof; any notice to any party having a facsimile number for the receipt at its address for notice hereunder of messages by transmission by facsimile shall be deemed given when transmitted by facsimile addressed to such party at such facsimile number.

13. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, and shall not be modified, except in writing, nor assigned by either party without the consent of the other party.

14. This Agreement shall be construed and governed in accordance with the laws of the State of New York, without regard to the principles of conflicts of laws thereof.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed as of the day first above written.

FAIRFIELD SENTRY LIMITED

By:_____
Name:
Title: Director

FAIRFIELD GREENWICH LIMITED

By:_____
Name:
Title:

EXHIBIT 3

INVESTMENT MANAGEMENT AGREEMENT

Agreement dated as of July 1, 2003, between Fairfield Sentry Limited, a British Virgin Islands corporation (the "Fund"), having its registered office at the CITCO Building, Wickhams Cay, P.O. Box 662, Road Town, Tortola, British Virgin Islands, and Fairfield Greenwich (Bermuda) Limited, a corporation organized under the laws of the Bermuda (the "Investment Manager"), having an office at 14 Par La Ville Road, 3rd Floor, Hamilton Bermuda..

WHEREAS, the Fund wishes to obtain the investment management services of the Investment Manager with respect to the assets underlying the Fund's Class A and Class B Shares, and

WHEREAS, the Investment Manager is willing to provide such advice and services on the terms and conditions set forth below,

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements hereinafter set forth, the parties hereby agree as follows:

1. The Fund hereby retains the Investment Manager to manage the investment of its assets as contemplated by and described in the Confidential Private Placement Memorandum of the Fund, dated July 1, 2003, and as such Confidential Private Placement Memorandum may be further amended (the "Memorandum"). All capitalized terms not defined herein shall be defined as set forth in the Memorandum. Such management will include, but shall not be limited to the utilization of a nontraditional options trading strategy described as "split strike conversion" (the "SSC Investments"). The Fund's SSC Investments shall be conducted in an account established

in the name of the Fund at Bernard L. Madoff Investment Securities, a broker dealer registered with the Securities and Exchange Commission, in New York, New York. The Investment Manager may, in its sole and exclusive discretion, allocate a portion of the Fund's assets to alternative investment opportunities other than the SSC Investments (the "Non-SSC Investments"); provided, however, that the amount so allocated to the Non-SSC Investments in the aggregate shall not exceed an amount equal to 5% of the Net Asset Value of the Fund (measured at the time of investment in each Non-SSC Investment vehicle) and no single allocation shall exceed $50 million at the time it is made. The identification of, and terms of the Fund's investment in, the Non-SSC Investments shall be in the sole and exclusive discretion of the Investment Manager. The Investment Manager is authorized to negotiate, among other things, risk control and performance guidelines, lock-up periods and fees incident to the Non-SSC Investments; provided that the fees paid in connection with the Non-SSC Investments shall not cause an increase in the amount of the fees to be paid by the Fund pursuant to this Agreement.

2. The activities engaged in by the Investment Manager on behalf of the Fund shall be subject to the policies and control of the Fund's Directors. Subject to such direction and the investment policies set forth in the Memorandum, the Investment Manager shall use its best efforts to (a) seek suitable investment opportunities and manage the investment portfolio of the Fund; (b) perform or oversee the day-to-day investment operations of the Fund; (c) act as investment adviser for the Fund in connection with investment decisions; (d) provide information in connection with the preparation of all reports to the Fund's shareholders described in the Memorandum; and (e) arrange for and oversee the services of the Fund's administrator,

custodian(s), auditors and counsel to act on behalf of the Fund; provided, however, that the Investment Manager is not authorized to enter into agreements in the name of the Fund with such providers of services.

3. Within 5 days after the end of each of the first three weeks of each month and within 10 days after the end of each month or fiscal quarter of the Fund, as the case may be, the Investment Manager shall send to the Fund weekly and monthly valuations of the SSC Investments and the Non-SSC Investments. The Investment Manager shall cause any and all documentation respecting such investments to be sent to the Fund. The Investment Manager shall be available at all times, upon reasonable notice, for consultation with the Directors of the Fund in connection with the investments of the Fund.

4. The Investment Manager shall for all purposes be an independent contractor and not an agent or employee of the Fund, and the Investment Manager shall have no authority to act for, represent, bind or obligate the Fund except as specifically provided herein.

5. The Investment Manager may delegate its duties hereunder or assign this Agreement in its entirety to a wholly-owned subsidiary or an affiliate without the further consent of the Fund.

6. All investments of the Fund shall at all times conform to and be in accordance with the requirements imposed by:

(a) any provisions of applicable law; and

(b) provisions of the Certificate of Incorporation, Memorandum of Association, and Articles of Association of the Fund, as amended from time to time.

The Fund shall furnish the Investment Manager with a copy of the Certificate of Incorporation, Memorandum of Association and Articles of Association, of the Fund as in effect at the commencement of this Agreement and, thereafter, shall promptly furnish the Investment Manager with copies of such documents as they may be amended from time to time.

7. The Fund shall bear, for each year, all expenses in maintaining the Fund's offices and all other expenses incurred in the operation of the Fund, including the ordinary and necessary expenses related to the Fund's investment and trading activities (including transactional costs, escrow and custodial fees), all insurance expenses, all legal and auditing fees, and fees and expenses relating to any extraordinary circumstances, such as tax examinations and litigation involving the Fund.

8. The Fund shall pay the Investment Manager, as full compensation for the services performed by the Investment Manager and the facilities furnished by the Investment Manager, (a) in connection with the Class A Shares: a quarterly performance fee, payable after the last day of each calendar quarter, in an amount equal to 20% of the amount of any New High Net Profits, as defined in the Memorandum, allocable to the Class A Shares; and (b) in connection with the Class B Shares: a fixed monthly management fee in an amount equal to one-twelfth of one percent (0.0833%) of the Net Asset Value (as defined in the Memorandum) of the Fund's Class B Shares as of the first day of each monthly period, after giving effect to any subscriptions for

Class B Shares accepted as of the first day of such month (the "Management Fee"), which shall be paid monthly in arrears, and a quarterly performance fee payable after the last day of each calendar quarter, in an amount equal to 20% of the amount of any New High Net Profits allocable to the Class B Shares (the performance fee payable with respect to each of the Class A and Class B Shares shall be referred to herein collectively as the "Performance Fee"). Shares of the Fund shall be subject to the payment of the Performance Fee for the portion of each calendar quarter that they are issued and outstanding. For the purposes hereof, the value of the net assets of the Fund and its Net Asset Value per Share (as defined in the Memorandum) shall be computed in the manner specified in the Memorandum for the computation of the value of such net assets in connection with the determination of the redemption price of its shares. Payment of the Performance Fee shall be made to the Investment Manager on or after the last day of each calendar quarter of each year; payment of the Management Fee shall be made within ten (10) days after the month for which such Management Fee has accrued. Each payment for services to the Investment Manager shall be accompanied by a report of the Fund, prepared either by the Fund or by an established firm of independent public accountants, which shall show the amount properly payable to the Investment Manager under this Agreement, and the manner of computation thereof. Notwithstanding the foregoing, in the event that, as of the end of any calendar year, the aggregate amount of original investments in Non-SSC Investment vehicles allocable to each of the Class A and Class B Shares exceeds the aggregate Net Asset Value of the respective share class' interests in Non-SSC Investment vehicles (before deduction of the Fund's share of fees payable to the Non-SSC Investment vehicles) (such excess being collectively referred to as the "Non-SSC Investment Loss"), the Investment Manager will reduce the amount of its Performance Fee allocable to the Class A and/or Class B Shares payable at subsequent

quarter end by an amount equal to the Non-SSC Investment Loss allocable the respective class of the Fund's shares. The portion of the Performance Fee that is reduced will be carried forward. In the event that the SSC Investment Loss is, in whole or in part, subsequently recouped by Non-SSC Investment vehicles, the Fund shall pay the Investment Manager such portion of the Performance Fee that was previously reduced to cover Non-SSC Investment Losses in addition to the Performance Fee otherwise payable for any quarter.

The Investment Manager and the Fund may supplement this Agreement at any time to provide for the deferred payment of all or any portion of the fees to be paid to the Investment Manager pursuant to this Agreement.

9. The Investment Manager will render the services set forth in this Agreement at its own expense, including without limitation, the salaries of employees necessary for such services, the rent and utilities for the facilities provided, and other advisory and operating expenses, except as assumed by the Fund in paragraph 7, above; provided, however, that the Fund shall pay Fairfield Greenwich Advisors LLC, an affiliate of the Investment Manager, an amount equal to one-fortieth of one percent (0.025%) of the Net Asset Value of the Fund's Class A and Class B Shares as of the last day of each calendar quarter in order to reimburse Fairfield Greenwich Advisors LLC, an affiliate of the Investment Manager, for bearing certain of the Fund's internal accounting and operational expenses. Payment of this amount shall be made within 10 business days after the last day of each calendar quarter.

10. (a) The Investment Manager shall not be liable for any error of judgment or for any loss suffered by the Fund in connection with the subject matter of this Agreement, except

loss resulting from willful misfeasance, bad faith or gross negligence in the performance of the Investment Manager's obligations and duties, or by reason of the Investment Manager's reckless disregard of their obligations and duties hereunder.

(b) The Investment Manager, its directors, officers and employees, agents and counsel (each, an "Investment Manager Indemnitee"), shall not be subject to, and the Fund shall indemnify to the fullest extent permitted by law and hold each Investment Manager Indemnitee free and harmless from and against, any and all claims, demands, liability or expenses for any loss suffered by the Fund arising out or any act or omission of an Investment Manager Indemnitee relating to the Fund, except to the extent such act or omission constitutes willful misconduct, or reckless disregard of the duties of the Investment Manager or on the part of the Investment Manager Indemnitee.

11. The Investment Manager and each of its respective shareholders, directors, employees and officers, may engage simultaneously with their investment management activities on behalf of the Fund in other businesses, and may render services similar to those described in this Agreement for other individuals, companies, trusts or persons, and shall not by reason of engaging in such other businesses or rendering of services for others be deemed to be acting in conflict with the interests of the Fund.

12. This Agreement shall be in full force and effect on the date of this Agreement and shall continue until the termination by either party on written notice ten days prior to the end of any calendar quarter. During the period between the date when notice of termination is deemed given hereunder and the effective date of termination, the rights, powers and duties of the Investment Manager shall remain in full force and effect but shall be subject to the right of the

Fund to direct the liquidation of any investment, which direction shall be given in writing or by telex. The Fund represents, covenants and agrees that its decision to terminate this Agreement shall require a unanimous affirmative vote of directors for so long as the Fund has three or less directors and a vote of 75% of the directors casting votes at such time as the Fund has more than three directors.

13. Any notice required to be given hereunder shall be in writing and shall be sent by registered or certified air mail, postage prepaid, with return receipt requested, or by means of telecopy or other wire transmission (with request for assurance of receipt in a manner typical with respect to communications of that type), to the Fund and Investment Manager at the respective addresses indicated in the Offering Memorandum, or to such other addresses as the parties may hereafter direct in writing. The effective date of any notice given by mail shall be ten days after the date of mailing thereof; any notice to any party having a telecopy or telex number for the receipt at its address for notice hereunder of messages by transmission by telecopy or telex shall be deemed given when transmitted by telecopy or telex addressed to such party at such telecopy or telex number.

14. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, and shall not be modified, except in writing, nor assigned by either party without the consent of the other party.

15. This Agreement shall be construed and governed in accordance with the laws of Bermuda, without regard to the principles of conflicts of laws thereof.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed as of the day first above written.

FAIRFIELD SENTRY LIMITED

By: _____
Name: Walter M. Noel, Jr.
Title: Director

FAIRFIELD GREENWICH (BERMUDA) LTD.

By: _____
Name: Andres Piedrahita
Title: Director

Agreed to an accepted for purposes
of Paragraph 9 only:
FAIRFIELD GREENWICH ADVISORS LLC

By: _____

EXHIBIT 4

INVESTMENT MANAGEMENT AGREEMENT

Agreement dated as of October 1, 2004, between Fairfield Sentry Limited, a British Virgin Islands international business company (the "Fund"), having its registered office at Romasco Place, Wickhams Cay 1, P.O. Box 3140, Road Town, Tortola, British Virgin Islands, and Fairfield Greenwich (Bermuda) Limited, a company organized under the laws of the Bermuda (the "Investment Manager"), having an office at 14 Par La Ville Road, 3rd Floor, Hamilton Bermuda..

WHEREAS, the Fund wishes to obtain the investment management services of the Investment Manager, and

WHEREAS, the Investment Manager is willing to provide such advice and services on the terms and conditions set forth below,

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements hereinafter set forth, the parties hereby agree as follows:

1. The Fund hereby retains the Investment Manager to manage the investment of its assets as contemplated by and described in the Confidential Private Placement Memorandum of the Fund, dated October 1, 2004, and as such Confidential Private Placement Memorandum may be further amended (the "Memorandum"). All capitalized terms not defined herein shall be defined as set forth in the Memorandum. Such management will include, but shall not be limited to the utilization of a nontraditional options trading strategy described as "split strike conversion" (the "SSC Investments"). The Investment Manager may, in its sole and exclusive

discretion, allocate a portion of the Fund's assets to alternative investment opportunities other than the SSC Investments (the "Non-SSC Investments"); provided, however, that the amount so allocated to the Non-SSC Investments in the aggregate shall not exceed an amount equal to 5% of the Net Asset Value of the Fund (measured at the time of investment in each Non-SSC Investment vehicle) and no single allocation shall exceed $50 million at the time it is made. The identification of, and terms of the Fund's investment in, the Non-SSC Investments shall be in the sole and exclusive discretion of the Investment Manager. The Investment Manager is authorized to negotiate, among other things, risk control and performance guidelines, lock-up periods and fees incident to the Non-SSC Investments; provided that the fees paid in connection with the Non-SSC Investments shall not cause an increase in the amount of the fees to be paid by the Fund pursuant to this Agreement.

2. The activities engaged in by the Investment Manager on behalf of the Fund shall be subject to the policies and control of the Fund's Directors. Subject to such direction and the investment policies set forth in the Memorandum, the Investment Manager shall use its best efforts to (a) seek suitable investment opportunities and manage the investment portfolio of the Fund; (b) perform or oversee the day-to-day investment operations of the Fund; (c) act as investment adviser for the Fund in connection with investment decisions; (d) provide information in connection with the preparation of all reports to the Fund's shareholders described in the Memorandum; and (e) arrange for and oversee the services of the Fund's administrator, custodian(s), auditors and counsel to act on behalf of the Fund; provided, however, that the Investment Manager is not authorized to enter into agreements in the name of the Fund with such providers of services.

3. Within 5 days after the end of each of the first three weeks of each month and within 10 days after the end of each month or fiscal quarter of the Fund, as the case may be, the Investment Manager shall send to the Fund weekly and monthly valuations of the SSC Investments and the Non-SSC Investments. The Investment Manager shall cause any and all documentation respecting such investments to be sent to the Fund. The Investment Manager shall be available at all times, upon reasonable notice, for consultation with the Directors of the Fund in connection with the investments of the Fund.

4. The Investment Manager shall for all purposes be an independent contractor and not an agent or employee of the Fund, and the Investment Manager shall have no authority to act for, represent, bind or obligate the Fund except as specifically provided herein.

5. The Investment Manager may delegate its duties hereunder or assign this Agreement in its entirety to a wholly-owned subsidiary or an affiliate without the further consent of the Fund.

6. All investments of the Fund shall at all times conform to and be in accordance with the requirements imposed by:

(a) any provisions of applicable law; and

(b) provisions of the Certificate of Incorporation, Memorandum of Association, and Articles of Association of the Fund, as amended from time to time.

The Fund shall furnish the Investment Manager with a copy of the Certificate of Incorporation, Memorandum of Association and Articles of Association, of the Fund as in effect at the commencement of this Agreement and, thereafter, shall promptly furnish the Investment Manager with copies of such documents as they may be amended from time to time.

7. The Fund shall bear, for each year, all expenses in maintaining the Fund's offices and all other expenses incurred in the operation of the Fund, including the ordinary and necessary expenses related to the Fund's investment and trading activities (including transactional costs, escrow and custodial fees), all insurance expenses, all legal and auditing fees, and fees and expenses relating to any extraordinary circumstances, such as tax examinations and litigation involving the Fund.

8. The Fund shall pay the Investment Manager, as full compensation for the services performed by the Investment Manager and the facilities furnished by the Investment Manager, a fixed monthly management fee in an amount equal to one-twelfth of one percent (0.0833%) of the Net Asset Value (as defined in the Memorandum) of the Fund as of the first day of each monthly period, after giving effect to any subscriptions for the Fund's shares accepted as of the first day of such month (the "Management Fee"), which shall be paid monthly in arrears, and a quarterly performance fee payable after the last day of each calendar quarter, in an amount equal to 20% of the amount of any New High Net Profits (as defined in the Memorandum) of the Fund (the "Performance Fee"). Shares of the Fund shall be subject to the payment of the Performance Fee for the portion of each calendar quarter that they are issued and outstanding. For the purposes hereof, the value of the net assets of the Fund and its Net Asset Value per Share (as defined in the Memorandum) shall be computed in the manner specified in the Memorandum for

the computation of the value of such net assets in connection with the determination of the redemption price of its shares. Payment of the Performance Fee shall be made to the Investment Manager on or after the last day of each calendar quarter of each year; payment of the Management Fee shall be made within ten (10) days after the month for which such Management Fee has accrued. Each payment for services to the Investment Manager shall be accompanied by a report of the Fund, prepared either by the Fund or by an established firm of independent public accountants, which shall show the amount properly payable to the Investment Manager under this Agreement, and the manner of computation thereof. Notwithstanding the foregoing, in the event that, as of the end of any calendar year, the aggregate amount of original investments in Non-SSC Investment vehicles exceeds the aggregate Net Asset Value of the Non-SSC Investment vehicles (before deduction of the Fund's share of fees payable to the Non-SSC Investment vehicles) (such excess being collectively referred to as the "Non-SSC Investment Loss"), the Investment Manager will reduce the amount of its Performance Fee payable at subsequent quarter end by an amount equal to the Non-SSC Investment Loss. The portion of the Performance Fee that is reduced will be carried forward. In the event that the SSC Investment Loss is, in whole or in part, subsequently recouped by Non-SSC Investment vehicles, the Fund shall pay the Investment Manager such portion of the Performance Fee that was previously reduced to cover Non-SSC Investment Losses in addition to the Performance Fee otherwise payable for any quarter.

The Investment Manager and the Fund may supplement this Agreement at any time to provide for the deferred payment of all or any portion of the fees to be paid to the Investment Manager pursuant to this Agreement.

9. The Investment Manager will render the services set forth in this Agreement at its own expense, including without limitation, the salaries of employees necessary for such services, the rent and utilities for the facilities provided, and other advisory and operating expenses, except as assumed by the Fund in paragraph 7. The Investment Manager shall pay Fairfield Greenwich Advisors LLC an expense reimbursement in an amount equal to 15% of the Management Fee for bearing certain of the Fund's internal accounting and operational expenses. Payment of this amount shall be made within 10 business days after the last day of each calendar quarter, is contingent on the Investment Manager's receipt of the full amount of the Management Fee during such calendar quarter and shall be proportionately reduced to the extent the Management Fee is not paid to the Investment Manager in any such calendar quarter.

10. (a) The Investment Manager shall not be liable for any error of judgment or for any loss suffered by the Fund in connection with the subject matter of this Agreement, except loss resulting from willful misfeasance, bad faith or gross negligence in the performance of the Investment Manager's obligations and duties, or by reason of the Investment Manager's reckless disregard of their obligations and duties hereunder.

(b) The Investment Manager, its directors, officers and employees, agents and counsel (each, an "Investment Manager Indemnitee"), shall not be subject to, and the Fund shall indemnify to the fullest extent permitted by law and hold each Investment Manager Indemnitee free and harmless from and against, any and all claims, demands, liability or expenses for any loss suffered by the Fund arising out or any act or omission of an Investment Manager Indemnitee relating to the Fund, except to the extent such act or omission constitutes willful

misconduct, or reckless disregard of the duties of the Investment Manager or on the part of the Investment Manager Indemnitee.

11. The Investment Manager and each of its respective shareholders, directors, employees and officers, may engage simultaneously with their investment management activities on behalf of the Fund in other businesses, and may render services similar to those described in this Agreement for other individuals, companies, trusts or persons, and shall not by reason of engaging in such other businesses or rendering of services for others be deemed to be acting in conflict with the interests of the Fund.

12. This Agreement shall be in full force and effect on the date of this Agreement and shall continue until the termination by either party on written notice ten days prior to the end of any calendar quarter. During the period between the date when notice of termination is deemed given hereunder and the effective date of termination, the rights, powers and duties of the Investment Manager shall remain in full force and effect but shall be subject to the right of the Fund to direct the liquidation of any investment, which direction shall be given in writing or by telex.

13. Any notice required to be given hereunder shall be in writing and shall be sent by registered or certified air mail, postage prepaid, with return receipt requested, or by means of telecopy or other wire transmission (with request for assurance of receipt in a manner typical with respect to communications of that type), to the Fund and Investment Manager at the respective addresses indicated in the Offering Memorandum, or to such other addresses as the parties may hereafter direct in writing. The effective date of any notice given by mail shall be ten days after the date of mailing thereof; any notice to any party having a telecopy or telex

number for the receipt at its address for notice hereunder of messages by transmission by telecopy or telex shall be deemed given when transmitted by telecopy or telex addressed to such party at such telecopy or telex number.

14. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, and shall not be modified, except in writing, nor assigned by either party without the consent of the other party.

(Remainder of page intentionally left blank)

15. This Agreement shall be construed and governed in accordance with the laws of Bermuda, without regard to the principles of conflicts of laws thereof.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed as of the day first above written.

FAIRFIELD SENTRY LIMITED

By: _____
Name: Walter M. Noel, Jr.
Title: Director

FAIRFIELD GREENWICH (BERMUDA) LTD.

By: _____
Name: Andres Piedrahita
Title: Director

Agreed to an accepted for purposes
of Paragraph 9 only:
FAIRFIELD GREENWICH ADVISORS LLC

By: _____
Name: Jeffrey H. Tucker
Title: President

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Name: Walter M. Noel, Jr.
Title: Director

FAIRFIELD GREENWICH (BERMUDA) LTD.

By: _____
Name: Andres Piedrahita
Title: Director

Agreed to an accepted for purposes
of Paragraph 9 only:
FAIRFIELD GREENWICH ADVISORS LLC

By:_____
Name: Jeffrey H. Tucker
Title: President