

1 UNITED STATES DISTRICT COURT
2 SOUTHERN DISTRICT OF NEW YORK
-----x

3 UNITED STATES OF AMERICA

4 v. 10 Cr. 228 (LTS)

5 DANIEL BONVENTRE,
6 JEROME O'HARA,
7 GEORGE PEREZ,
ANNETTE BONGIORNO,
8 JOANN CRUPI,

Jury Trial

8 Defendants.

9 -----x

New York, N.Y.
December 19, 2013
9:10 a.m.

10
11

Before:

12
13

HON. LAURA TAYLOR SWAIN

District Judge

14
15

APPEARANCES

16
17

PREET BHARARA
United States Attorney for the
Southern District of New York

18
19

MATTHEW L. SCHWARTZ
RANDALL W. JACKSON
JOHN T. ZACH
Assistant United States Attorneys

20
21
22

GORDON MEHLER
SARAH LUM
Attorneys for Defendant O'Hara

23
24

LARRY H. KRANTZ
KIMBERLY A. YUHAS
Attorneys for Defendant Perez

25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

APPEARANCES

ANDREW J. FRISCH
GARY VILLANUEVA
AMANDA BASSEN
Attorney for Defendant Bonventre

ROLAND G. RIOPELLE
MAURICE H. SERCARZ
ARIELLE PANKOWSKI
Attorneys for Defendant Bongiorno

ERIC R. BRESLIN
MELISSA S. GELLER
Attorneys for Defendant Crupi

1 right away with Mr. DiPascali's cross-examination. There will
2 be a new, relatively brief witness this morning. Then we will
3 return to the cross-examination.

4 At this point the government may call its next
5 witness.

6 MR. SCHWARTZ: Thank you, your Honor. The government
7 calls Richard Cassa.

8 RICHARD CASSA,
9 called as a witness by the government,
10 having been duly sworn, testified as follows:

11 THE CLERK: Please state your full name and spell it
12 for the record.

13 THE WITNESS: Richard Cassa, C-A-S-S-A.

14 THE COURT: Please be seated. Please make sure that
15 when you speak the microphone picks you up.

16 THE WITNESS: Got it.

17 MR. SCHWARTZ: Before we begin, for efficiency sake, I
18 would like to move six exhibits into evidence. They are
19 Government Exhibits 206-1, -2, -3, -4, -20, and -22.

20 MR. FRISCH: I have no objection.

21 MR. BRESLIN: No objection, your Honor.

22 MR. RIOPELLE: No objection.

23 MR. MEHLER: No objection.

24 MR. KRANTZ: No objection.

25 THE COURT: Thank you. Government Exhibits 206-1, -2,

1 -3, -4, -20, and -22 are admitted in evidence.

2 (Government's Exhibits 206-1, 206-2, 206-3, 206-4,
3 206-20, and 206-22 received in evidence)

4 MR. SCHWARTZ: Thank you, your Honor. Pursuant to the
5 parties' stipulation which has been read into evidence, four of
6 those are documents that were produced by JPMorgan Chase &
7 Company.

8 DIRECT EXAMINATION

9 BY MR. SCHWARTZ:

10 Q. Good morning, Mr. Cassa.

11 A. Good morning.

12 Q. You worked at JPMorgan Chase & Company, is that correct?

13 A. That's correct.

14 Q. When did you work there?

15 A. I worked at Chase from 1968 through March of 2008.

16 Q. Are you currently employed?

17 A. No, I am not.

18 Q. Retired?

19 A. Yes.

20 Q. Did you work prior to joining Chase?

21 A. No. I was in college.

22 Q. That was your professional life for 40 years?

23 A. That's correct.

24 Q. What sort of jobs did you have when you worked at -- I'll
25 call it Chase, OK?

1 A. What sort of job? Most recently I was a relationship
2 manager in what was called the broker-dealer division. I spent
3 some time in private banking. Prior to that, probably half my
4 career on the retail side.

5 Q. You said most recently you worked in -- what did you call
6 it?

7 A. We called it the broker-dealer division. We only dealt
8 with regulated broker-dealers.

9 Q. What was the period of time that you worked as a
10 relationship manager in the broker-dealer division?

11 A. I'm sorry. Say that again.

12 Q. What was the time period that you worked as a relationship
13 manager?

14 A. I did two I'll call them tours of duty in the group. I was
15 in there in the early '80s, left for a couple of years, and
16 came back into the group probably in the early '90s after the
17 Chemical/Manufacturers Hanover merger.

18 Q. When you said before that you worked for Chase since
19 1968 --

20 A. At the time it was Chemical Bank.

21 Q. What other names did the bank have while you worked there?

22 A. It was Chemical Bank and then -- it was always Chemical
23 until I guess the JPMorgan merger. Prior to that, it was
24 Chase. After that, it was JPMorgan Chase.

25 Q. As far as you were concerned, you worked for the same

1 company?

2 A. Correct.

3 Q. What is the broker-dealer division?

4 A. We were a group of individuals that worked specifically
5 with the broker-dealers or the regulated financial
6 institutions, like Merrill Lynch, and so on.

7 Q. When you say that you worked with those regulated financial
8 institutions, what do you mean?

9 A. We sold basically bank services to them and provided
10 credit.

11 Q. They were your clients?

12 A. That's correct.

13 Q. The clients of the broker-dealer division are themselves
14 broker-dealers?

15 A. That's correct.

16 Q. For example, over the time that you worked in the broker-
17 dealer division, who were some of your, personally, your
18 clients?

19 A. I'm sorry. Say that again.

20 Q. What were some of your, Richard Cassa's, clients when you
21 worked in the broker-dealer division?

22 A. I dealt with many of the regional firms. Raymond James was
23 one of mine. Edward Jones, A.G. Edwards. Nomura Securities
24 was one of mine. I dealt with Bear Stearns for a while. The
25 account relationships sometimes moved around. I had a lot of

1 the regional firms, so I did some traveling.

2 Q. Those firms were all themselves SEC-registered broker-
3 dealers?

4 A. That's correct.

5 Q. At some point was one of your --

6 THE COURT: Mr. Schwartz, I need you to talk even
7 louder, please. You need to be heard back there.

8 MR. SCHWARTZ: I will do my best. I haven't spoken
9 since before Thanksgiving, so I am getting reacclimated.

10 THE COURT: Speak as if you expect the last row in the
11 jury box and the last row in the courtroom to hear you without
12 the benefit of a microphone.

13 MR. SCHWARTZ: I will do that.

14 BY MR. SCHWARTZ:

15 Q. At some point did Bernard L. Madoff Investment Securities
16 become a client of yours at the broker-dealer division?

17 A. Yes. They were already a client when I came into the
18 group. After that one merger, I guess it was in the early
19 '90s, the relationship along with several others were assigned
20 to me.

21 Q. Madoff Securities was one of your clients beginning in
22 about the mid '90s?

23 A. One of my clients, yes.

24 Q. It was a JPMorgan client even before that?

25 A. Yes. I believe the relationship went back to Chemical

1 Bank.

2 Q. Until when was Madoff Securities one of your clients?

3 A. Until I retired in March of 2008.

4 Q. During that 15 or so years that Madoff Securities was your
5 client, was there a point of contact that you had at Madoff
6 Securities that you dealt with?

7 A. Yes.

8 Q. Who was that?

9 A. Dan Bonventre.

10 Q. I want to show you what is in evidence as Government
11 Exhibit 1000-114. It is going to come up on your screen. Do
12 you recognize who that is?

13 A. Yes. That's Dan.

14 Q. Dan Bonventre?

15 A. Right.

16 Q. Over those 15 or so years, how often did you speak to or
17 meet with Mr. Bonventre?

18 A. Probably a couple of times a year, three or four.

19 Q. For what kind of reasons?

20 A. Just to maintain a relationship. They weren't a very big
21 client of the bank. We would go over, say hello, see if there
22 was any other services or business we could do with them.

23 Q. Over those 15 or so years that Madoff Securities was your
24 client, did you ever have occasion to meet with or talk to
25 anyone else that worked at Madoff Securities?

1 A. The only other name I remember -- well, it would have been
2 Bernie Madoff. I spoke to Bernie a couple of times on the
3 phone, and Jeff Ferraro was an operations manager there.

4 Q. How many times would you estimate you spoke to Jeff Ferraro
5 over those 15 or so years?

6 A. Maybe two or three.

7 Q. How many times in your life have you talked to Bernie
8 Madoff?

9 A. I can recall three times.

10 Q. When you met with Dan Bonventre or talk to him a few times
11 a year, was that in person or by phone or both?

12 A. Mostly in person. I did talk to him occasionally on the
13 phone.

14 Q. When you met in person, where did you typically meet with
15 him?

16 A. At his office.

17 Q. Where was that?

18 A. On Third Avenue in the 40s, I guess. I don't remember the
19 address.

20 Q. Here in Manhattan?

21 A. Yes.

22 Q. Did you ever meet with him anyplace else, ever have lunch
23 or dinner with him?

24 A. We did have lunch a couple of times. But if I remember
25 correctly, the last time I had lunch with him, it was actually

1 in the lobby of their building.

2 Q. Incidentally, when you and Mr. Bonventre went to lunch, who
3 paid?

4 A. The bank paid.

5 Q. Meaning JPMorgan?

6 A. Yes.

7 Q. Over the 15 or so years that Madoff Securities was a client
8 of yours, what sort of business did it do with JPMorgan?

9 A. Primarily it had a checking account, and we did have a
10 small custody account with them. They used to use the bank's
11 wire transfer system. That's about it.

12 Q. Did Madoff Securities, to your knowledge, ever seek or
13 obtain a loan from JPMorgan?

14 A. Yes.

15 Q. When did Madoff Securities, to your knowledge, seek or
16 obtain loans from JPMorgan?

17 A. At one time I know they had a line of credit, probably back
18 in the early '90s. They stopped using it, and I don't remember
19 the exact date. Because they stopped using it, the credit
20 facilities were canceled. Then they did come in for a loan, I
21 guess, in 2005.

22 Q. Let me talk first about that earlier period. You said
23 there was a line of credit in place.

24 A. Correct.

25 Q. But Madoff Securities wasn't using it?

1 A. Correct.

2 Q. Could you briefly explain the difference between a line of
3 credit and an actual loan.

4 A. When you have a line of credit, you have applied -- it's
5 kind of like a credit card. You have a credit amount that you
6 can borrow up. You just basically sign a note and borrow under
7 that particular facility, as long as you are borrowing up to
8 the amount of the facility and meet the terms of the facility.

9 Q. In that early period of time Madoff Securities, to use your
10 analogy, sort of had a credit card but they weren't actually
11 using it?

12 A. That's correct.

13 Q. So the bank, JPMorgan, canceled it at some point?

14 A. Yes.

15 Q. You said in 2005 or so there was another loan application?

16 A. Yes. Dan called and requested a loan.

17 Q. Called you?

18 A. Yes.

19 Q. What do you remember about that?

20 A. They wanted a loan to I guess fund some -- they had some
21 investments that they didn't want to break and they needed some
22 cash, so they wanted to borrow the money for a short term to
23 basically pay the bills.

24 Q. They wanted a loan. This is what Mr. Bonventre told you?

25 A. Yes, as I recall.

1 Q. Madoff Securities wanted a loan to pay their bills because
2 they didn't want to liquidate investments?

3 A. That's correct.

4 Q. What else did you and Mr. Bonventre discuss about that
5 potential loan?

6 A. He offered a particular type of collateral. He wanted to
7 give us equity securities, which were fine. It was a normal
8 type of collateral. He just didn't like the advance rate that
9 I wanted to give him. He wanted a higher advance rate.

10 Q. So what happened?

11 A. I don't remember whether it was that phonecall or right
12 after it, Bernie Madoff called me.

13 Q. What did Mr. Madoff say to you?

14 A. He wanted me to basically give them the loan using the
15 equities that Dan had offered. I agreed I would take them but
16 under the advance rate that I wanted to give them, which wasn't
17 satisfactory to them, and they ultimately supplied a different
18 type of collateral.

19 Q. Ultimately, the bank sort of won that argument?

20 A. Yes.

21 Q. What kind of securities did Madoff Securities ultimately
22 pledge as collateral for the loan in 2005?

23 A. They were fixed income securities. I believe they were
24 some type of a government security.

25 (Continued on next page)

1 Q. So when you say fixed income securities, is that commonly
2 bonds?

3 A. Yes.

4 Q. And when you say government securities, that's things like
5 treasury bonds or --

6 A. It could be treasury or agency paper, sure.

7 Q. I want to show you what's in evidence as Government
8 Exhibit 206-1, and can you just read the text of that e-mail
9 aloud? And, Ms. Baskin, if you could blow it up?

10 A. It says, "Please receive \$100 million principal amount
11 federal home loan banks due 4-8-09" -- then goes on to give the
12 CUSIP number -- "to our account G13414. Said bonds will be
13 delivered today."

14 Q. And it's signed by Mr. Bonventre, correct?

15 A. It's signed by Dan Bonventre.

16 Q. And was this ultimately the collateral that the bank agreed
17 to receive in connection with that loan in 2005?

18 A. Yes, I believe it was.

19 Q. And federal home loan banks, are those government bonds or
20 government securities?

21 A. Correct.

22 Q. And after Mr. Bonventre transferred those government bonds
23 to JP Morgan, did JP Morgan, in fact, extend a loan to Madoff
24 Securities?

25 A. Yes.

1 Q. And, Ms. Baskin, can we go to 206-2. If you could blow
2 that up. And, again, I'll ask you, Mr. Cassa, just to read the
3 text?

4 A. "Dear Miss Sandiford, as per your conversation with Dan
5 Bonventre, we would like to borrow 95 million using our account
6 G13414 as collateral. Please credit our account 140081703 with
7 said funds. Thank you for your assistance in this matter."
8 You know, Erica, I can't read her last name, Pitz.

9 Q. I'm sorry, that's not a name you recognize, Enrica
10 Cotellessa-Pitz?

11 A. No.

12 Q. And does this letter represent Madoff Securities asking to
13 draw \$95 million against that \$100 million in collateral?

14 A. That's correct.

15 Q. And this references two accounts. Are those accounts both
16 Madoff Securities accounts at JP Morgan?

17 A. Yes.

18 Q. What is -- What kind of account is G13414?

19 A. That's a custody account. It doesn't hold cash. It only
20 holds securities.

21 Q. And so that's where the bonds went?

22 A. That's where the bonds sat, yes.

23 Q. And, Ms. Baskin, can we go to 206-22. Do you know what
24 this document is, Mr. Cassa?

25 A. It's a security agreement.

1 Q. What is this sort of thing used for?

2 A. Basically, it's required by the bank to -- when they take
3 collateral loan -- or loan to show that we basically are taking
4 them as collateral and have a right to them.

5 Q. And are there signatures on that page?

6 A. Yes, there are. It looks like Dan Bonventre, and I can't
7 read anything else on it.

8 Q. And --

9 A. That's my initial.

10 Q. And, Ms. Baskin, if we go to the third page of this
11 exhibit. If you could blow that up. Do you know what this is?

12 A. It's a signature card.

13 Q. What's a signature card?

14 A. Basically, it's a card that tells you who is authorized to
15 sign on the account.

16 Q. And there are three signatures there; is that correct?

17 A. That's correct.

18 Q. Bernard Madoff, correct?

19 A. Correct.

20 Q. Daniel Bonventre?

21 A. Correct.

22 Q. It's hard to read, but is that Peter Madoff, the last one?

23 A. I can't read the signature. There's no written name next
24 to it, but it could be.

25 Q. Fair enough. So those are the people who had signature

1 authority over account G13414, the custodial account?

2 A. That's correct.

3 Q. Can we go back to 206-2 for a second. Now, the other
4 account this refers to, it says, "Please credit our account
5 140-081703 with said funds;" do you see that?

6 A. Yes.

7 Q. We call that the 703 account?

8 A. That's the checking account.

9 Q. That's the checking account you referred to before?

10 A. Yes.

11 Q. To your knowledge, how long had that checking account been
12 open?

13 A. Well, it's a 140 account and those account numbers were
14 assigned -- I think they were Manufacturers or Chemical account
15 numbers; so it was probably assigned for a very long time prior
16 to my getting there.

17 Q. Prior to you taking over the relationship --

18 A. Yes.

19 Q. -- in the early '90s?

20 A. Mmm, hmm.

21 Q. Yes?

22 A. Yes.

23 Q. For most of the time that you were the relationship manager
24 for Madoff Securities, is it the case that that 703 account was
25 really the only relationship between the bank and Madoff

1 Securities?

2 A. That and the G account, yes.

3 Q. The G account, which we just saw was open in 2002?

4 A. Right.

5 Q. And during that time period, you were dealing almost
6 exclusively with Dan Bonventre; is that right?

7 A. That's correct.

8 Q. Have you ever met or talked to Ruth Madoff?

9 A. No.

10 Q. You didn't deal with her regularly prior to 2007?

11 A. No.

12 Q. There wasn't a time when Dan Bonventre took over this
13 relationship from Ruth Madoff, insofar as --

14 MR. FRISCH: Objection.

15 Q. -- they came to talking to you?

16 THE COURT: Please consult.

17 A. No.

18 MR. SCHWARTZ: I'll withdraw it.

19 THE COURT: Well, then the answer is stricken. And,
20 Mr. Frisch, out if you want to object, speak out so we can hear
21 you.

22 Mr. Cassa, if there's an objection, don't answer the
23 question until it's been resolved. Thank you.

24 THE WITNESS: Thank you.

25 BY MR. SCHWARTZ:

1 Q. You've never talked to Ruth Madoff?

2 A. Correct.

3 Q. Never met her?

4 A. No.

5 Q. Never corresponded with her?

6 A. No.

7 Q. Didn't have signatory authority on that account we just
8 looked at?

9 A. No.

10 THE COURT: Please keep your voice up, Mr. Schwartz.
11 Thank you.

12 MR. SCHWARTZ: I will, your Honor.

13 Q. Mr. Cassa, did you have an understanding, prior to
14 Mr. Madoff's arrest, of what that 703 account was used for?

15 A. Yes. I mean, it was a basic checking account, you know.
16 Checks would come in and out, payments would be made, wire
17 transfers would go in and out. It was a pretty normal checking
18 account for that type of firm.

19 Q. Do you know what part of Madoff Securities' business that
20 checking account was associated with?

21 A. Well, we always knew them as a market maker, basically a
22 company that traded securities.

23 Q. So was it your understanding that the 703 account was
24 associated with the market making business?

25 A. That's correct.

1 Q. Did you have an understanding, prior to Mr. Madoff's
2 arrest, of the size of the 703 account?

3 A. Well, not really. I mean, we didn't see -- if you're
4 referring to size, you mean if -- the activity that goes in and
5 out of the account or --

6 Q. What were the average balance?

7 A. Well, the -- No, I don't -- I don't recall.

8 Q. I mean, did you have a sense, prior to Mr. Madoff's arrest,
9 of whether that account held millions or tens of millions or
10 billions of dollars?

11 A. Probably tens of millions.

12 Q. Now, prior to Mr. Madoff's arrest, did you know that Madoff
13 Securities had an investment advisory business, a business of
14 advising customers?

15 A. Yes. Yes, most broker-dealers did.

16 Q. What was your understanding of the -- I'll call it the IA
17 business at Madoff Securities?

18 A. We really didn't know much about it. Again, we knew them
19 as a market maker.

20 Q. Did you and Mr. Bonventre ever discuss the IA business?

21 A. No.

22 Q. Where did you gain your understanding that there was an IA
23 business?

24 A. I don't recall.

25 Q. Did you and Mr. Bonventre ever discuss the fact that the

1 703 account was associated purely with the IA business?

2 MR. FRISCH: Objection.

3 THE COURT: Please consult.

4 (Counsel conferring)

5 MR. FRISCH: I think we resolved it, your Honor.

6 Thank you.

7 THE COURT: Thank you.

8 Q. Mr. Cassa, did you have an understanding, prior to
9 Mr. Madoff's arrest, that the 703 account was associated with
10 Madoff Securities' IA business?

11 A. It's hard to answer. I mean, the -- he had one account
12 with us. We assumed he ran all his business, both parts, both
13 sides of his business through it.

14 Q. Is that because you understood there was only one firm,
15 Bernard L. Madoff Investment Securities?

16 A. That's correct.

17 Q. And speaking of which, did JP Morgan receive what's known
18 as FOCUS reports?

19 A. Yes.

20 Q. What's a FOCUS report?

21 A. A focus report is a quarterly report which all registered
22 broker-dealers are required to send in to the regulatory
23 authorities describing their financial condition, financial and
24 operational condition.

25 Q. And did the bank also receive audited financial statements

1 from Madoff --

2 A. Yes, we did.

3 Q. I just ask you to let me finish the question before you
4 answer.

5 A. Okay.

6 Q. I want to show you what's in evidence as 206-20. And,
7 Ms. Baskin, if you could blow up the text there.

8 A. Mmm, hmm.

9 Q. What is this?

10 A. It looks like a spreadsheet with the firm's financial --
11 last couple of years' financial -- '02 to '05 financial,
12 audited financial statements spread and put on a -- you know,
13 for comparison purposes.

14 Q. And this was a document generated at JP Morgan, correct?

15 A. Correct.

16 Q. And so I don't want to spend time going to the numbers, but
17 the first few columns start with a date and they say
18 fiscal/consol audited, correct?

19 A. Correct.

20 Q. And so are those numbers that came from the audited
21 financial statements?

22 A. Correct.

23 Q. And then if you go the second column from the right, it
24 says, below the line, FOCUS/unaudit; do you see that?

25 A. Yes.

1 Q. Are those numbers that come from a FOCUS report?

2 A. That's correct.

3 Q. And why was JP Morgan keeping track of the information on
4 Madoff Securities' audited financial statements and FOCUS
5 reports?

6 A. Well, typically, when the firms would -- any firm would
7 send us in financial information, the credit department
8 would -- what we would call spread the numbers, put them on the
9 sheet and file them into the system.

10 Q. And can we go to Page 3 of this. And there's a line there
11 under assets called cash and equivalents?

12 A. Yes.

13 Q. Mr. Cassa, did you understand that these statement of
14 assets didn't include the money in the 703 account?

15 A. I'm sorry, repeat the question.

16 MR. FRISCH: I'm sorry, counsel. I object to that.

17 THE COURT: Okay. Please consult.

18 (Counsel conferring)

19 MR. FRISCH: Thank you, Judge.

20 THE COURT: Thank you. And, Mr. Schwartz, when you
21 come back to the podium, please move the microphone even closer
22 to yourself and speak out even further.

23 MR. SCHWARTZ: Actually, I'm going to move it a little
24 bit farther, and then I'll be louder. I think I have a
25 psychological dependence on the microphone.

1 THE COURT: We can try that, but really speak out.

2 Q. Mr. Cassa, what was your understanding of what assets are
3 reported in Madoff Securities' audited financials and FOCUS
4 reports?

5 A. All their assets.

6 Q. To include the cash in the 703 account?

7 A. Yes.

8 Q. And what was your understanding of the liabilities that
9 were listed in Madoff Securities' audited financials and FOCUS
10 reports?

11 A. They were the basic liabilities of the firm.

12 Q. All their liabilities?

13 A. Yes, if they were on their FOCUS report and their audited
14 statement, yes.

15 Q. To include, for example, the loans that JP Morgan had
16 extended to Madoff Securities?

17 A. Correct. If there would have been loans outstanding as of
18 the date of the FO- -- the audited statement, there would be --
19 they should be on there, yup.

20 Q. So, for example, during the period that that \$95 million
21 loan was extended to Madoff Securities, that, your
22 understanding was, was reported on a FOCUS report or an audited
23 financial statement, if there was one?

24 A. Yes.

25 Q. And did it matter to JP Morgan in extending credit, among

1 other things, that those FOCUS reports and audited financial
2 statements were accurate?

3 A. Sure, yes.

4 Q. And we talked before about the bonds that were pledged as
5 collateral; do you recall that?

6 A. Yes.

7 Q. Did it matter to JP Morgan that representations about those
8 bonds were accurate?

9 A. Yes.

10 Q. And did you have an understanding of whose bonds those
11 were?

12 A. Yes.

13 Q. What was your understanding?

14 A. That they were the firm's bonds.

15 Q. "The firm" being Madoff Securities?

16 A. Correct.

17 Q. And that mattered to the bank?

18 A. Yes.

19 MR. SCHWARTZ: I have no further questions.

20 THE COURT: Thank you. Mr. Frisch?

21 MR. FRISCH: Thank you.

22 MR. SCHWARTZ: Wait. Mr. Jackson thinks maybe I have
23 further questions.

24 THE COURT: Hold on one second.

25 MR. SCHWARTZ: No further questions.

1 THE COURT: Thank you. Mr. Frisch.

2 MR. FRISCH: Thank you, again. Good morning, ladies
3 and gentlemen. And I haven't been here since before
4 Thanksgiving also; so I'll do my best to speak up as well as I
5 can.

6 CROSS-EXAMINATION

7 BY MR. FRISCH:

8 Q. Mr. Cassa, good morning.

9 A. Good morning.

10 Q. I'm Andy Frisch. I represent Mr. Bonventre. You and I
11 have never met before, correct?

12 A. Correct.

13 Q. When you worked for the bank, Madoff Securities was not a
14 client on which you spent a lot of time; is that right?

15 A. Yes.

16 Q. It was what you might call a low-maintenance client which
17 rarely asked much of the bank; is that right?

18 A. Yes.

19 Q. I think you've described it in the past as a docile
20 relationship; is that right?

21 A. That's correct.

22 Q. And by that you meant it was quiet?

23 A. Yes.

24 Q. In fact, the periodic contact you had with Madoff
25 Securities was mostly in the nature of maintaining the client

1 relationship; is that right?

2 A. Yes.

3 Q. Periodically checking in, as you would typically do with
4 clients, right?

5 A. Yes.

6 Q. That's common during the 40 years that you were with the
7 bank, right?

8 A. Yes.

9 Q. Now, Mr. Bonventre was your point of contact at the firm;
10 is that right?

11 A. Yes.

12 Q. You'd make a courtesy call on him from time to time just to
13 check in and say hello?

14 A. Yes.

15 Q. And, again, that's also common to do something like that,
16 right?

17 A. Yes.

18 Q. And sometimes you'd bring with you a colleague from Chase,
19 or one of its predecessor entities, to see if Madoff Securities
20 was interested in some other service the bank had to offer; is
21 that right?

22 A. I don't recall, but yes, that would be normal, yes.

23 Q. It would have been normal for you to do it with Madoff
24 Securities, as well as the other clients who you handled,
25 right?

1 A. Correct.

2 Q. And in dealing with Mr. Bonventre, he was always courteous
3 and respectful to you, right?

4 A. Yes.

5 Q. He'd ask about your family; he'd ask about vacations you'd
6 been on, correct?

7 A. Yes.

8 Q. He was a nice and pleasant person to deal with; is that
9 fair to say?

10 A. Absolutely, yes.

11 Q. Now, going back in time, if you know, one of the services
12 the bank provided to Madoff Securities was acting as settling
13 bank for Madoff Securities, the market making and the
14 proprietary trading businesses; do you know that?

15 A. I don't recall that, but it was very possible.

16 Q. And to explain what that means in the simplest way, it
17 means that the bank was part of the process by which the market
18 making and proprietary trading businesses processed real
19 trades; is that fair?

20 A. Well, did the settlements for them. In other words, did
21 the payment through DTC at the end of each day. That's what
22 settling did.

23 Q. Got it. And that's in the market making and proprietary
24 trading businesses, right?

25 A. Yes.

1 Q. And do you know that Mr. Bonventre -- Well, withdrawn.

2 Mr. Bonventre became your point of contact with Madoff
3 Securities because he had responsibilities regarding the
4 mechanics of trading in the market making and proprietary
5 trading businesses, that is, the settling of trades; do you
6 know that?

7 MR. SCHWARTZ: Objection.

8 A. I --

9 THE COURT: Please, wait. And please, consult.

10 MR. FRISCH: Let me withdraw it rather than step away.

11 Q. Do you know how it is that Mr. Bonventre became the point
12 of contact between Madoff Securities and the bank?

13 A. No, I don't.

14 Q. Fair enough. What you know is that by the time you started
15 dealing with Madoff Securities, he was already the point of
16 contact who you were to deal with; is that right?

17 A. Yes.

18 Q. Now, from time to time you received Madoff Securities'
19 periodic financial statements and FOCUS reports; is that right?

20 A. Yes.

21 Q. You received them on a regular basis from the firm; is that
22 right?

23 A. I believe so. I don't recall how often we received them.

24 Q. But it was part of -- but they came -- you may not know how
25 often they came in terms of time, but they came on a regular

1 basis; do you know that?

2 A. I believe they did, yes.

3 Q. And that's also typical for a client to send in their
4 financial statements and/or FOCUS reports on a regular basis;
5 is that right?

6 A. Yes.

7 Q. Now, do you know for certain who sent in those statements
8 to the bank?

9 A. No.

10 Q. But you don't believe it was Mr. Bonventre, correct?

11 A. No, it wasn't Mr. Bonventre.

12 Q. And is it fair to say that from what you could tell, the
13 bank may have been on some kind of distribution list for
14 receipt of those documents?

15 A. Yes.

16 Q. Certainly during the periodic visits that you paid to
17 Madoff Securities and Mr. Bonventre, he never handed you one of
18 these things, correct?

19 A. No.

20 Q. Now, you had occasion, at some point, over your
21 relationship with Madoff Securities on at least one occasion to
22 look at at least one of these financial statements, correct?

23 A. Yes.

24 Q. And was it your understanding that it was not Mr. Bonventre
25 who prepared these documents?

1 A. Yes.

2 Q. That is, I was correct, it was not Mr. Bonventre?

3 A. That's correct.

4 Q. Was there a time that the bank had a general concern about
5 auditors of its clients, that is, not specific to Madoff
6 Securities, but there was an internal concern about auditors
7 generally of Chase clients?

8 A. Not that I'm aware of.

9 Q. Do you recall an internal discussion at the bank about an
10 auditor from Madoff Securities named David Friehling?

11 A. No.

12 Q. Now, the bank, at some point, terminated its line of credit
13 with Madoff Securities, I think you testified, because the firm
14 wasn't using its line of credit, right?

15 A. That's correct.

16 Q. And that's not uncommon?

17 A. No.

18 Q. When a client doesn't use its line of credit, the bank
19 doesn't like keeping it on its books; is that right?

20 A. That's correct.

21 Q. And I think you testified that's not unlike having a
22 personal credit card, not using it, and the bank shuts it down,
23 right?

24 A. Yes.

25 Q. But when Madoff Securities applied for a loan in 2005 or

1 2006, the credit department of the bank reestablished credit
2 for Madoff Securities; is that right?

3 A. That's correct.

4 Q. And, in fact, the bank this time established credit for
5 \$300 million even though Madoff Securities was seeking a loan
6 of only about \$100 million; is that right?

7 A. I don't recall the amount of the facility that was -- I
8 know the loan was for 100 million. I don't remember what
9 facility was being put in place.

10 Q. Well, let me see if I can refresh your recollection on that
11 point, if I could.

12 A. Okay.

13 Q. Sir, do you recall testifying at a deposition conducted by
14 the trustee looking into the Madoff matter?

15 A. Yes.

16 Q. And was that on or about November 4th, 2010?

17 A. Yes.

18 Q. And, your Honor, if I could approach the witness?

19 THE COURT: Yes, you may.

20 MR. FRISCH: Let me approach the government first.
21 Let them see what I'm showing the witness.

22 THE COURT: Yes.

23 Q. So, sir, I've put in front of you what I've marked as
24 DB100.

25 A. Mmm, hmm.

1 Q. And you're free to look at the entire document. I've
2 opened the document to Page 92 for your convenience. And the
3 question is if the document refreshes your recollection that
4 the bank established a credit line of \$300 million in about
5 2005 or 2006. My question is whether that refreshes your
6 recollection.

7 A. Let me read it.

8 (Pause)

9 Well, it looks to me, without reading the whole
10 thing --

11 THE COURT: Mr. Cassa?

12 Q. Mr. Cassa, just one second.

13 THE COURT: Don't read from the document. First, just
14 answer the question whether it refreshes your independent
15 recollection or not. That's a yes, no question.

16 A. No.

17 THE COURT: And he'll ask you further.

18 Q. It does not refresh your recollection?

19 A. No.

20 Q. Okay. You can put that down, put it aside. Thank you.

21 On direct examination you talked about something, I
22 think you referred to it as an advance rate?

23 A. Yes.

24 Q. What's an advance rate?

25 A. It's the amount that we would advance a customer, depending

1 on the type of collateral. I can give you an example. If you
2 have a, I don't know, AT&T security. Let's say it's \$100. We
3 would advance you \$80 against that, and that would be the
4 advance rate, 80 percent.

5 Q. So in this instance, the bank was willing to advance or
6 willing to loan a certain percentage of the total value of the
7 collateral; is that correct?

8 A. That's correct.

9 Q. And am I correct that what the bank initially wanted to
10 advance was 75 percent?

11 A. I believe so, yes.

12 Q. And I think you testified that during the course of time
13 when you were the relationship manager for Madoff Securities,
14 you had contact with Mr. Madoff a handful of times, correct?

15 A. When you say contact, I spoke to him twice and met him
16 once.

17 Q. And one of these contacts was in connection with the
18 advance rate; is that correct?

19 A. That's correct.

20 Q. In connection with this loan and the advance rate on this
21 loan, Mr. Madoff called you and told you he wanted essentially
22 a more favorable advance rate; is that correct?

23 A. Yes.

24 Q. Miss Baskin, can we see GX105-A49 already in evidence,
25 please. And, Mr. Cassa, you can see this is a document dated

1 November 14th, 2005, signed by Mr. Madoff, correct?

2 A. No, not -- Well, it's signed by Madoff and someone else,
3 yes.

4 Q. Right. I was going to mention both names. It's signed on
5 top --

6 A. Right.

7 Q. -- by Mr. Madoff?

8 A. Correct.

9 Q. And then underneath it's signed by someone named Enrica
10 Cotellessa-Pitz, right?

11 A. Yes.

12 Q. And I think that on your direct examination you testified
13 you don't know who she is?

14 A. No.

15 Q. Okay. Could you just read the letter following the words
16 "Dear Ms. Sandiford"?

17 A. "As per your conversation with Dan Bonventre, we would like
18 to borrow 95 million using our G account, G13414, as
19 collateral. Please credit our account 140081703 with said
20 funds. Thank you for your assistance."

21 Q. Thank you, Mr. Cassa. Now, do you recall seeing this
22 letter before just now?

23 A. Yes.

24 Q. And you knew from at least your phone call with Mr. Madoff,
25 that Mr. Madoff himself was involved with the bank in getting

1 this loan; is that right?

2 A. Yes.

3 Q. For loans of this type, the bank did not require clients to
4 tell what the purpose of the loan was, that is, what the money
5 would be used for; is that correct?

6 A. Correct.

7 Q. If it was a good client with good credit, it wasn't
8 important to the bank as to what the purpose was; is that
9 right?

10 A. Well, as long as we -- it wasn't anything illegal, yes.

11 Q. Fair enough. The bank's principal purpose was getting
12 repaid on the loan, right?

13 A. Correct.

14 Q. And, in fact, in this instance, after the loan was
15 extended, the bank did not monitor Madoff Securities to see how
16 the money was used; is that right?

17 A. Correct.

18 Q. Now, I think you testified on direct examination --
19 Miss Baskin, you can take this down. Thank you.

20 I think you testified on direct examination that you
21 knew that Madoff Securities had an investment advisory
22 business; is that correct?

23 A. Yes.

24 Q. In fact, 90 percent of firms like Madoff Securities, in
25 your experience, have an investment advisory business of some

1 sort, correct?

2 A. Yes.

3 Q. During the time that you worked at Chase and were the
4 relationship manager for Madoff Securities, were you aware of
5 newspaper articles that publicly reported the fact of
6 Mr. Madoff's investment advisory business?

7 A. No.

8 Q. You're not saying there weren't any, you're just saying you
9 weren't aware --

10 A. I wasn't aware of any articles, no.

11 Q. Fair enough, Mr. Cassa. Now, the Chase account that Madoff
12 Securities had ended with the account number 703, correct?

13 A. Correct.

14 Q. And that account was opened and in use before you became
15 the relationship manager for Madoff Securities, right?

16 A. Yes.

17 Q. So you don't know who opened the account?

18 A. No.

19 Q. It was a checking account, right?

20 A. Yes.

21 Q. You understood it was used for general business purposes,
22 correct?

23 A. Yes.

24 Q. Apart from that, you did not know how the account was used,
25 correct?

1 A. Yes.

2 Q. And certainly there was nothing on the face of the account,
3 from what you could see, that was out of the ordinary, correct?

4 A. No.

5 Q. There was nothing on the face of the account that caused
6 you any concern, correct?

7 A. No.

8 Q. There was nothing on the face of the account that, to you,
9 was any kind of red flag, correct?

10 A. No.

11 Q. Now, I believe you testified that you did not believe that
12 the account was used for something beyond the market making
13 business; is that correct?

14 A. Well, it was used for all his business, but mostly market
15 making, yes.

16 Q. And so we're clear, you understood that the 703 account was
17 used for more than just the market making business, correct?

18 A. It was used for all his business, whatever it was, yes.

19 Q. Now, as part of the bank's efforts to drum up new business
20 for the bank. There was a time that you met with Mr. Bonventre
21 in his office and expressed the bank's interest in clearing
22 trades for Madoff's London office; is that correct?

23 A. Yes.

24 Q. Those were real trades that were being made through the
25 London office, correct?

1 A. Yes.

2 Q. Upon making that inquiry to Mr. Bonventre, he immediately
3 provided you with the name and telephone number of his
4 counterpart in London, in Madoff Securities' office in London,
5 a man named Chris Dale; is that correct?

6 A. I don't remember.

7 Q. Do you remember that he gave you the --

8 A. Yes, I do remember him giving me a contact, yes. I don't
9 remember his name.

10 Q. The part you don't remember is the name of the person?

11 A. That's correct.

12 Q. You certainly don't remember the phone number?

13 A. No.

14 Q. But you do remember that when you made that inquiry of
15 Mr. Bonventre, he provided you contact information for somebody
16 in the London office; is that right?

17 A. Correct.

18 Q. And he did it right away, correct, while you were sitting
19 across from him, correct?

20 A. I believe so, yes.

21 Q. He didn't go down the hall and check with anybody. He
22 didn't get on the phone. He didn't say, Richard, I'll get back
23 to you. He just gave you the information, correct?

24 A. Yes.

25 Q. Now, one of the occasions that you had to speak with

1 Mr. Madoff, with Bernard Madoff, was a conference call with
2 him; do you remember that?

3 A. Yes.

4 Q. And that came about because the bank had a client which was
5 doing business with Mr. Madoff's investment advisory business;
6 is that right?

7 A. I assume so. I was never given that information, who the
8 client was.

9 Q. Fair enough. In any event, you understand there were
10 colleagues of yours at JP Morgan Chase that wanted more
11 information about Mr. Madoff's investment advisory business,
12 correct?

13 A. Correct.

14 Q. They wanted information about his investment strategies and
15 investment philosophies in the investment advisory business,
16 correct?

17 A. Correct.

18 Q. And your understanding was that because Mr. Madoff was so
19 secretive about those things, they wanted you to reach out and
20 use your contacts to see if you could hook up the people at the
21 bank with Mr. Madoff, correct?

22 A. Well, I believe they had tried to get him to speak to him,
23 and he wouldn't; so they came -- since they found he had a
24 relationship in the bank, they came to me and asked me to
25 arrange a conference call.

1 Q. And what you did is you reached out to Mr. Bonventre,
2 correct?

3 A. Correct.

4 Q. And almost immediately, within a day or so, that call
5 happened, correct?

6 A. Yes.

7 Q. Now, Mr. Bonventre was your point of contact at Madoff
8 Securities for about ten to 15 years, correct?

9 A. Yes.

10 Q. He was the person with whom you chiefly dealt at Madoff
11 Securities for ten to 15 years, correct?

12 A. Yes.

13 Q. He was the person with whom you dealt almost exclusively
14 for ten or 15 years, correct?

15 A. Yes.

16 Q. But, Mr. Cassa, when it came time to have this conversation
17 about Bernard Madoff's investment advisory business, his
18 investment strategies and investment philosophies,
19 Mr. Bonventre was not on that call, correct?

20 A. Correct.

21 Q. When it came time to have this conversation about Bernie
22 Madoff's investment advisory business, the only person from
23 Madoff Securities on the phone was Bernie Madoff; am I right?

24 A. Correct.

25 Q. One of the things the bank looked at before extending

1 credit to a client was the stature, track record and history of
2 the client, correct?

3 A. Correct.

4 Q. That's one of the things you look at before you give
5 someone money, believing they'll pay you back, right?

6 A. Right, yes.

7 Q. And the bank looked at those things with regard to Bernard
8 Madoff, right?

9 A. Correct.

10 Q. And while it was the credit department's job to look at
11 these things, as relationship manager for Madoff's securities,
12 you were aware of what they were doing and who Bernard Madoff
13 was, correct?

14 A. Yes.

15 Q. You knew that Bernard Madoff was a very well-known guy on
16 Wall Street, right?

17 A. Yes, I believe he was president of the NASDAQ, right.

18 Q. He may not have been well known outside of Wall Street, but
19 on Wall Street, he was very well known, right?

20 A. Yes.

21 Q. He'd been around Wall Street for a long time, right?

22 A. Yes.

23 Q. Not only was he associated with NASDAQ, as you've just
24 testified, he was a major figure at the NASD, right?

25 A. Yes.

1 Q. He was a member, if you remember, of the NASD board of
2 Governors?

3 A. I knew he was associated. I don't remember in what
4 capacity.

5 Q. Do you know that he was -- he participated in NASD
6 committees that helped write many of the rules for Wall Street?

7 A. I don't recall.

8 Q. Did you know that Peter Madoff was also actively involved
9 in the industry, with things like NASDAQ and NASD?

10 A. I mean, I know the name. I never met Peter, but yes, he
11 was.

12 Q. You know that he had those affiliations --

13 A. Correct.

14 Q. -- with those organizations, right?

15 A. Yes.

16 Q. What these affiliations meant to the bank was that Madoff
17 Securities was a good credit risk, right?

18 A. Correct.

19 Q. Bernard Madoff's leadership in the industry helped to
20 establish to the bank's satisfaction that he was a good credit
21 risk, right?

22 A. One of the things, yes.

23 Q. There were other things as well?

24 A. Yes.

25 Q. The bank believed that Bernie Madoff was a good credit risk

1 because he had established a significant degree of respect in
2 the industry; is that right?

3 A. Well, that, and he had, well, what we thought were solid
4 financial statements at the time.

5 Q. Fair point. You also knew that, and the bank knew about
6 Mr. Madoff's market making and proprietary trading businesses;
7 isn't that so?

8 A. Yes.

9 Q. The bank knew that the market making and proprietary
10 trading businesses provided superior service, correct?

11 A. I'm not quite sure what you mean by that, but he was in
12 business for a long time; so I guess the answer is yes.

13 Q. Let me put the question this way. You and the bank knew
14 that the market making and proprietary trading businesses used
15 some of the most advanced technology on Wall Street?

16 A. Yes.

17 Q. You and the bank knew that the market making and
18 proprietary trading businesses did business with leading
19 securities firms and banks around the United States and around
20 the world; is that so?

21 A. Well, typically, market makers did do that, yes.

22 Q. There came a time that you learned that Mr. Madoff was
23 arrested, right?

24 A. I'm sorry?

25 Q. There came a time that you learned that Mr. Madoff --

1 A. Yes.

2 Q. -- was arrested, right?

3 A. Yes.

4 Q. And, Mr. Cassa, you were shocked?

5 A. Yes.

6 Q. To use your description, Mr. Madoff's arrest was mind
7 boggling?

8 A. Yes.

9 Q. And it was mind boggling to you because it was hard to
10 comprehend how someone as well known and respected as Bernie
11 Madoff could have successfully lied to so many people?

12 A. Yes.

13 Q. By the way, you testified that there came a time when the
14 banks -- withdrawn -- that Madoff Securities transferred bonds
15 as collateral to the bank, correct?

16 A. Well --

17 Q. I asked that question unartfully. With regard to the
18 collateral that was put up for the 2005 to 2006 loan, there
19 came a time that Madoff Securities transferred the bonds to the
20 bank, right?

21 A. I don't know when they were transferred. They were in the
22 account at the time.

23 Q. Do you know who transferred them from Madoff Securities?

24 A. No. That's all done electronically.

25 THE COURT: Mr. Frisch, can you give us just one

1 second?

2 MR. FRISCH: Sure.

3 THE COURT: Everybody stand up with me for a second.

4 (Pause)

5 And I'd also just ask for the jurors to make sure that
6 you have room to make your notes. Anything other than the
7 little note pads that you have, please keep on the floor under
8 your seats. Thank you. Thanks, I needed that.

9 BY MR. FRISCH:

10 Q. With regard to the loan that Madoff Securities applied for
11 in 2005 or 2006, is it fair to say, Mr. Cassa, that you were
12 not privy to whatever Mr. Madoff may have told Mr. Bonventre
13 about that loan?

14 A. That's correct.

15 Q. Is it fair to say you were not privy to whatever Mr. Madoff
16 may have told Mr. Bonventre about the bonds that served as
17 collateral for that loan?

18 A. That's correct.

19 MR. FRISCH: Mr. Cassa, thank you very much. I have
20 no further questions. I will, however, retrieve my document
21 from the witness stand.

22 THE COURT: Thank you, Mr. Frisch. Mr. Riopelle, will
23 you have any cross?

24 MR. RIOPELLE: No questions, your Honor.

25 THE COURT: Thank you. Mr. Breslin?

1 MR. BRESLIN: No questions for this witness, your
2 Honor.

3 THE COURT: Thank you. Mr. Mehler?

4 MR. MEHLER: No questions, your Honor.

5 THE COURT: Thank you. And Mr. Krantz?

6 MR. KRANTZ: No questions. Thank you.

7 THE COURT: Thank you. Mr. Schwartz, any redirect?

8 MR. SCHWARTZ: Yes, your Honor.

9 REDIRECT EXAMINATION

10 BY MR. SCHWARTZ:

11 Q. Good morning again, Mr. Cassa.

12 A. Good morning.

13 Q. A second ago Mr. Frisch asked you about a conference call
14 that Mr. Madoff had with some of your colleagues in the
15 investment bank; do you recall that?

16 A. Yes.

17 Q. And I think in response to Mr. Frisch's question you said
18 that Mr. Madoff was the only one from Madoff Securities on the
19 line; is that right?

20 A. That's correct.

21 Q. And isn't it so that the reason for that was that
22 Mr. Madoff was in Europe and was talking on his cell phone?

23 MR. FRISCH: Objection.

24 THE COURT: Please consult.

25 Q. Well, let me ask this. Were you aware that Mr. Madoff was

1 not in New York when he took that call?

2 A. Yes.

3 Q. He was on his cell phone, correct?

4 A. I don't know what phone he was on.

5 Q. Do you know where he was in the world?

6 A. He wasn't in New York, that I knew.

7 Q. Wasn't in the office?

8 A. Correct.

9 Q. Mr. Frisch asked you some questions about whether JP Morgan
10 cared about the stated purpose of a loan; do you recall that?

11 A. Yes.

12 Q. And I think you said that that borrowers, or at least some
13 borrowers, didn't have to explain the reason why they were
14 asking for a loan; is that so?

15 A. That's correct.

16 Q. In this case, though, in 2005, you testified before that
17 Mr. Bonventre did tell you the reason for the loan, correct?

18 A. Yes.

19 Q. And what did he say again?

20 A. I don't recall his exact words, but basically the firm had
21 some investments that they didn't want to break and they wanted
22 to use the money, you know, for a short-term period.

23 Q. And where a lender -- strike that. Where a borrower gives
24 you a reason for a loan, even if you didn't ask for it, even if
25 they volunteered it, does it matter that that be accurate?

1 A. Yes.

2 Q. And if they don't give you a reason for the loan, if you
3 don't ask, I think you said as long as the credit risk is okay,
4 the bank doesn't care the purpose of the loan so long as it's
5 not an illegal purpose, correct?

6 A. Yes.

7 Q. And so, for example, the bank would not extend a loan to
8 use to pay Ponzi redemptions, correct?

9 A. Yes.

10 MR. FRISCH: Objection. Move to strike.

11 THE COURT: Could you consult.

12 (Counsel conferring)

13 MR. FRISCH: Your Honor, I stand by my objection. I
14 move to strike the witness' answer.

15 THE COURT: The objection is overruled.

16 Q. Because JP Morgan wouldn't extend a loan for what it knew
17 was an unlawful purpose?

18 A. Correct.

19 MR. SCHWARTZ: I have nothing further.

20 THE COURT: Thank you. Anything further?

21 MR. FRISCH: Very briefly, your Honor. Thank you.

22 RE CROSS EXAMINATION

23 BY MR. FRISCH:

24 Q. Regarding this conference call with Mr. Madoff, there were
25 multiple people on that call, correct?

1 A. Yes.

2 Q. Those people were not all in the same place, correct?

3 A. We were all in one conference room and wherever Madoff was.
4 I don't recall anybody else being on the call.

5 Q. And technology at the time permitted there to be even more
6 people on the call who might have been in another place,
7 correct?

8 A. I guess. I mean, I don't -- I don't recall anybody else
9 being on the call other than the people in the room and Madoff.

10 Q. I understand that, but this was 2005, 2006, right?

11 A. Yes.

12 Q. It wasn't that long ago, correct?

13 A. No.

14 Q. And the telephone company at the time had the facility to
15 allow multiple people in different places to be on the same
16 call, correct?

17 A. Yes.

18 Q. So it wasn't technology or geography that barred
19 Mr. Bonventre from being on that call, correct?

20 A. Correct.

21 MR. FRISCH: Thank you. Nothing further.

22 THE COURT: Thank you. Nothing further.

23 MR. SCHWARTZ: Nothing further, your Honor.

24 THE COURT: Thank you, Mr. Cassa. Your testimony is
25 concluded. Take care.

1 (Witness excused)

2 THE COURT: Members of the jury, I've asked that you
3 just have in your laps the steno pads that you've been given
4 for taking notes. Juror No. 9, do you have something else in
5 your lap?

6 JUROR: Excuse me?

7 THE COURT: Is that the steno pad that's in your lap?

8 JUROR: No.

9 THE COURT: I just ask that you put that on the floor
10 while we're in session. Thank you so much. All right. May we
11 have Mr. DiPascali back?

12 MR. BRESLIN: Your Honor, may we have a couple of
13 minutes to set up?

14 THE COURT: Yes, okay. We'll take a brief, anybody
15 that needs to leave the room to do anything, break. Come right
16 back to your chairs and remain silent here. Thank you.

17 (Pause)

18 THE COURT: Good morning, Mr. DiPascali. And
19 Mr. Breslin, you may continue.

20 MR. BRESLIN: Thank you. Good morning again, ladies
21 and gentlemen.

22 FRANK DIPASCALI,

23 called as a witness by the Government,

24 having been previously duly sworn, testified as follows:

25 CROSS-EXAMINATION (Resumed)

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

INDEX OF EXAMINATION

Examination of:	Page
RICHARD CASSA	
Direct By Mr. Schwartz6334
Cross By Mr. Frisch6355
Redirect By Mr. Schwartz6376
Recross By Mr. Frisch6378
FRANK DIPASCALI	
Cross By Mr. Breslin6381

GOVERNMENT EXHIBITS

Exhibit No.	Received
206-1, 206-2, 206-3, 206-4, 206-20, and6334
206-22	