

Londonderry Man Works to Help Madoff's Scam Victims

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A Londonderry financial expert is hoping to lend a helping hand to those left in financial ruin in the wake of Bernard Madoff's Ponzi scheme.

"It's still an amazing thing to me: I keep pinching myself," Stephen Sussman said during a telephone interview with the Londonderry Times on Tuesday afternoon. "But I'm here in the middle of this whole thing, even though I'm right here in Londonderry, New Hampshire."

Sussman, 52, is the president and chief executive officer of Regulatory Compliance, LLC, located at 12 Parmenter Road. Regulatory Compliance, a nationally known financial services firm with 51 employees, has been assisting broker-

dealers and investment advisors with compliance regulations for the past two decades.

A native of Derry and current Londonderry resident, Sussman is also the chief financial officer for Surge Trading, which bought Madoff's trading unit that closed last December, the sole legitimate firm of Madoff's empire.

Last month, the New York-based Surge Trading announced its plans to begin the process of leveraging the market-making assets of the former Bernard Madoff Investment Securities business after acquiring the former securities-trading unit for \$25.5 million.

Madoff, 71, pleaded guilty this past March to orchestrating fraudulent investment schemes for the past two decades,

bilking billions of dollars from his investors. A former chairman of the NASDAQ stock market, Madoff was sentenced to 150 years in prison earlier this week.

According to Wall Street Journal reports, celebrities Stephen Spielberg, Kevin Bacon, Zsa Zsa Gabor, Larry King and John Malkovich; charities such as the Jewish Community Foundation of Los Angeles and the Elie Wiesel Foundation for Humanity; and colleges such as the New York Law School and Bard College are among the thousands of victims of Madoff's scams.

In a written statement dated June 18, Surge Trading officials announced its plans to operate in Manhattan's Lipstick Building.

Surge was formerly known as Castor Pollux

Securities Inc., the Boston firm that won the auction in April for the Madoff unit, which sold for a fraction of its former worth of about \$1 billion. Officials said the unit was legitimate, unlike the investment arm at the center of the \$65 billion fraud.

The start of market-making operations by the new firm is subject to approval by the Financial Industry Regulatory Authority, or FINRA.

Sussman said Castor Pollux had been a client of his for the past seven years, and officials expressing interest in purchasing Madoff's assets this past winter approached him.

"My first reaction was, 'what did they say?'" Sussman recalled. "Then I realized that there was, indeed, a legitimate part of Madoff Securities."

Since late January, the project snowballed, ultimately occupying about 75 percent of Sussman's time. The deal was initially confidential, and wasn't made public until this past March.

"I couldn't even tell my staff or children about it," Sussman said. Many hours - he estimates up to 400 - of consulting and advising former Castor Pollux officials followed, with most of Sussman's work being done without charge. Once the deal was agreed upon, the pressure was on, with Sussman often working around the clock with lawyers, sometimes seven days per week.

Sussman said helping the victims of Madoff's scams has become a personal mission of his, particularly due to the fact that many of them, like Sussman, are of Jewish

heritage. "Being able to help gave me a great personal feeling," he said.

Due to the unusual circumstances surrounding the case, Sussman surmised that immediate aid would be given to the Madoff victims hit the hardest: those on the verge of losing their homes being considered first.

"I don't think Spielberg will see any of this money," Sussman said. "It's hard to say, since it's entirely up to the trustees."

Though Sussman never met Madoff personally, he said he thinks justice was served this week.

"It was a horrendous crime he did," Sussman said. "He got a fair sentence, one that really makes a strong statement to anyone even thinking about committing fraud."