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C O N F I D E N T I A L

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK
11-CV-03605(JSR)(HBP)

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IRVING H. PICARD, Trustee for
the Liquidation of Bernard L.
Madoff Investment Securities LLC,

Videotaped
Deposition of:

Plaintiff,

v.

BRUCE G. DUBINSKY

SAUL B. KATZ, et al.,

Defendants.

-----x

TRANSCRIPT of testimony as taken by and before
NANCY MAHONEY, Certified Court Reporter, Registered
Professional Reporter, and Notary Public of the
States of New York and New Jersey, at the offices of
Davis Polk & Wardwell, 450 Lexington Avenue
New York, New York on January 11, 2012, commencing
at 9:27 a.m.

1 our expert referral network of outside experts, and
2 many times we'll bring somebody like Dr. Pomerantz
3 in on a case and I think his title actually is
4 either senior -- senior advisor, senior consultant.
5 That's what -- in his agreement with Duff & Phelps.
6 So he doesn't have a -- he's not employed by Duff &
7 Phelps, if that's what you're asking.

8 Q. As I understand it, you were the
9 person that proposed Dr. Pomerantz for his
10 assignment in this case.

11 Is that correct?

12 A. Well, I would say this: When I met
13 with the lawyers at Baker, they asked if I knew
14 anybody and I said I know Dr. Pomerantz, and based
15 on the background of what you're looking for, I
16 think this might be a person you want to talk to,
17 and that's -- you know, I wouldn't call that
18 proposing. I gave them the name. They contacted
19 Dr. Pomerantz and met with him and made their
20 decision.

21 Q. What -- what part of Dr. Pomerantz's
22 expertise did you think was relevant to what the
23 lawyers were looking for?

24 A. They had asked me if I knew anybody
25 that had experience in the investment management

1 business doing due diligence and doing quantitative
2 analysis. That's Dr. Pomerantz's background.

3 While I've done some of that, he
4 does -- has done and continues to do more than I do.
5 So that's what I told them.

6 Q. Are you familiar with the opinions
7 that he's given in this case?

8 A. I would say generally familiar. I
9 read the report. I don't know if I read the final
10 report before it was issued. There was a lot of
11 work going on on my report, you know, because of the
12 crunch of the deadlines imposed by the court, but at
13 some point I saw the report pretty much near the
14 end.

15 Q. I'm going to show you what's been
16 marked as Defendants' Exhibit 8, please, which is
17 your -- which, I believe, is your engagement letter.

18 (Comments off the record.)

19 Q. And if you would, please have a look
20 at that and identify it, if you can, for the record.

21 A. Yes, this is the engagement letter
22 that I signed on June 14, 2001 (sic) with Baker
23 Hostetler for this engagement.

24 Q. And does this engagement letter
25 address the engagement of Duff & Phelps generally,