

EXHIBIT D

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C O N F I D E N T I A L
UNITED STATES DISTRICT 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,

Plaintiff,

v.

SAUL B. KATZ, et al.,

Defendants.

Videotaped
Deposition of:

KEVIN M. BARCELONA

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TRANSCRIPT of testimony as taken by and before
NANCY C. BENDISH, Certified Court Reporter, RMR, CRR
and Notary Public of the States of New York and New
Jersey, at the offices of Baker & Hostetler, 45
Rockefeller Plaza, New York, New York on Thursday,
December 15, 2011, commencing at 9:50 a.m.

1 preparation and review and release of these -- of
2 this particular document.

3 Q. Do you know if this document was sent
4 to the Sterling partners as limited partners of
5 Sterling Stamos?

6 A. I would not know.

7 Q. Do you know if pitch books were ever
8 sent to the Sterling partners as partners of
9 Sterling Stamos?

10 A. I do not know.

11 Q. Do you know if the Sterling partners
12 ever reviewed pitch books?

13 A. I do not know.

14 Q. Is this document an example of the
15 pitch books that you testified about previously?

16 A. Yes. This would -- again, this is a
17 general firm overview and would be -- would be one
18 of those type of introductory type pitch books that
19 is commonplace for Sterling Stamos to provide, as
20 well as, you know, most, you know, fund managers in
21 the investment industry.

22 Q. If you would turn to page 4, Bates
23 number is SSMT01876762.

24 A. Okay.

25 Q. Can you read the second bullet point

1 David Katz about pitch books?

2 A. No, I have not, nor would I have had
3 any discussion with any other Sterling Equities
4 related party.

5 Q. Turning to the other document you
6 said that you recognized --

7 A. Um-hum.

8 Q. -- the May 23rd, 2005 letter, what do
9 you recognize this document to be?

10 A. It appears to be our quarterly
11 letter. Obviously, it looks like a number of things
12 are redacted here. But it appears to be our
13 quarterly letter.

14 Q. Did you receive a copy of this
15 document?

16 A. Yes, I would have received a copy via
17 email, and I would have reviewed the performance
18 information to insure it was accurate before it was
19 released.

20 Q. Who would you have reported to
21 regarding the accuracy of the information in this
22 document before it was released?

23 A. Kevin Okimoto would have -- I would
24 have given any of my comments back to Kevin Okimoto,
25 as I believe he was the facilitator of organizing

1 this letter before its release. Obviously, it was
2 reviewed by Peter and Ashok as well.

3 Q. Do you know anyone else at Sterling
4 Stamos who was involved in the preparation of this
5 letter?

6 A. No, I do not, but Kevin obviously
7 had, you know, other people working for him, and
8 it's likely that there was an element of
9 contribution from those people. But as not being
10 the owner of this document, I would not know who
11 the -- you know, how that was, you know, broken
12 down.

13 Q. Mr. Barcelona, do you see that the
14 letter is addressed to "Dear Partner"?

15 A. Yes.

16 Q. Do you have an understanding of
17 whether this document was provided to all partners
18 of Sterling Stamos?

19 A. It would have been provided --

20 MS. BIEBER: Objection.

21 MS. KOSACK: Basis?

22 MS. BIEBER: I think it's unclear
23 what partners you're referring to. Are you talking
24 about the funds, the investment manager, the...

25 MS. KOSACK: Okay. I'll rephrase the

1 Q. Do you know if the Sterling partners
2 received any of the documents that are part of
3 Exhibit 111?

4 A. I do not know.

5 Q. Do you know what the purpose of the
6 referenced meeting here with REDACTED was?

7 A. We're providing them introductory
8 materials. Sean Duff was our placement agent. My
9 expectation would be that we were introducing them
10 to the firm for -- as a potential investor.

11 Q. Do you know who would prepare the
12 documents that are part of Exhibit 111?

13 A. It would have been Kevin Okimoto and
14 his team.

15 Q. Do you know if you had any role in
16 helping prepare any of the documents that are
17 attached to Exhibit 111?

18 A. I expect, similar to what I've done
19 or reported before, that I would have provided the,
20 you know, our Sterling Stamos fund-related
21 performance and probably -- and likely would have
22 reviewed that information to make sure it was
23 accurate. But beyond that, any of the other kind of
24 data would have come from the investment team,
25 because I notice there's a number of underlying

1 whatever personal investments they had in Bernard
2 Madoff or any other fund that they may invest in.

3 Q. What were the circumstances
4 surrounding your learning that the Sterling partners
5 were invested with Bernard Madoff?

6 A. I don't specifically recall. It was
7 either as part of the recruiting process they were
8 describing to me a little bit more of the, you know,
9 why the family office came to be, or it might have
10 been shortly after. I don't recall the specific
11 events and reasonings behind, nor, you know, did I
12 know who Bernard Madoff was at that time.

13 Q. And when you say at that time, what
14 time are you generally referring to?

15 A. On and around 2004.

16 Q. Okay. Turn to page 11 of this
17 document, SSMT00025947.

18 A. Okay.

19 Q. Do you notice that the title is
20 "Sterling Stamos People"?

21 A. Yes, I do see that.

22 Q. Do you know what investment
23 professional means?

24 A. I have a general understanding of
25 what investment professional means.

1 Q. What is that general understanding of
2 what an investment professional means?

3 A. Generally, they have an understanding
4 of investments, and, you know, obviously that
5 expertise can be in a variety of different areas.

6 Q. Do you notice that Saul Katz is
7 listed as one of the investment professionals on
8 this document?

9 A. I do recognize Saul Katz's name, yes.

10 Q. Do you recognize that Fred Wilpon is
11 identified as an investment professional in this
12 document?

13 A. Yes, I do.

14 Q. Do you recognize that David Katz is
15 referenced as an investment professional in this
16 document?

17 A. Yes, I do.

18 Q. Do you know what Saul Katz's
19 responsibilities were as an investment professional
20 with respect to Sterling Stamos?

21 MR. DITCHFIELD: Objection.

22 A. I do not, nor do I ever -- I've never
23 been aware of him being involved in any investment
24 decision or with respect to managing the Sterling
25 Stamos funds. I've never participated in a meeting

1 where he provided any judgment or decision-making
2 ability in any investment in any of our Sterling
3 Stamos funds.

4 Q. Do you know why Saul Katz would have
5 been listed as an investment professional in a
6 company overview for Sterling Stamos?

7 A. I don't.

8 Q. Do you know why Fred Wilpon would
9 have been listed as an investment professional in a
10 company overview for Sterling Stamos?

11 A. I don't.

12 Q. Do you know why David Katz would have
13 been listed as an investment professional in a
14 Sterling Stamos company overview document?

15 A. I don't.

16 Q. Do you know whether it's Sterling
17 Stamos' practice to send out inaccurate material to
18 potential investors?

19 MR. DITCHFIELD: Objection.

20 MS. BIEBER: Objection.

21 A. I don't believe it is a practice of
22 Sterling Stamos to send out inaccurate information.

23 Q. Do you have any reason to believe
24 that Saul Katz was not an investment professional of
25 Sterling Stamos?