

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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SECURITIES INVESTOR PROTECTION CORPORATION,

 Plaintiff-Applicant, : Adv. Pro. No. 08-01789 (BRL)

 - against - : SIPA LIQUIDATION

BERNARD L. MADOFF INVESTMENT SECURITIES LLC, : (Substantively Consolidated)

 Defendant. : :
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In re:

BERNARD L. MADOFF,

Debtor. : :
----- X

IRVING H. PICARD,

 Plaintiff,

 - against - : Adv. Pro. No. 10-05287 (BRL)

SAUL B. KATZ, et al. : :

 Defendants. : :
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DECLARATION OF ASHOK CHACHRA

STATE OF NEW YORK)
) ss:
COUNTY OF NEW YORK)

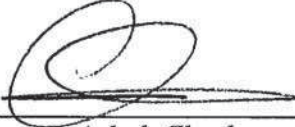
ASHOK CHACHRA, pursuant to 28 U.S.C. § 1746, declares as follows:

1. From mid-2002 until March 2010, I worked at Sterling Stamos Capital Management, L.P. ("SSCM").
2. During my tenure at SSCM, I worked as the Chief Investment Strategist and had the titles of Associate, Portfolio Manager, Managing Director, Partner and Chief Investment Strategist.
3. Through my role at SSCM, I came to know Saul Katz, Fred Wilpon, and the other partners of Sterling Equities (the "Sterling Partners"). I also became aware of Bernard L. Madoff ("Madoff") and his brokerage firm, Bernard L. Madoff Securities LLC ("BLMIS").
4. To my recollection, at no time prior to December 11, 2008 did I think that there was a lack of trading at Madoff or BLMIS or that it was a Ponzi scheme. Accordingly, before December 11, 2008, I never told anyone, including anyone at SSCM or the Sterling Partners, that I thought there was a lack of trading at Madoff or BLMIS or that it was a Ponzi scheme.
5. To my recollection, SSCM was never offered the opportunity to invest with Madoff.
6. The reference to the "Madoff funds" in my December 13, 2008 email cited at paragraph 869 of the complaint filed against the Sterling Defendants refers to a decision not to invest in Fairfield Greenwich. I undertook a review of Fairfield Greenwich. After a meeting with the people from Fairfield Greenwich, I learned that the fund had around 80% of its assets in Madoff. I expressed my concerns to Saul Katz that Fairfield Greenwich would provide him with even more exposure to Madoff and would cost more in fees. None of SSCM's funds invested in Fairfield Greenwich.

7. To my knowledge no one at SSCM told any Sterling Partner not to invest with Madoff or BLMIS. I did tell Saul Katz about the risks associated with investing large percentages of investable assets with a "single manager."

8. To my knowledge, SSCM never undertook due diligence of either Madoff or BLMIS.

I declare under penalty of perjury that the foregoing is true and correct.



Ashok Chachra

Executed on March 16, 2011.