

Exhibit 6

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

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK
ADV. PRO. NO. 08-01789 (BRL)

-----x	
SECURITIES INVESTOR PROTECTION CORPORATION,	Videotaped
Plaintiff-Applicant,	Rule 2004
v.	Examination of:
BERNARD L. MADOFF INVESTMENT SECURITIES, LLC,	DAVID KATZ
Defendant.	(Volume II)

-----x
In Re:
BERNARD L. MADOFF,
Debtor.
-----x

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 Wednesday,
September 1, 2010, commencing at 10:08 a.m.

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1 Q. In the few?

2 A. Investors.

3 Q. Mr. Katz, are you familiar with the
4 term "double-up" in the context of Sterling's Madoff
5 investments?

6 A. Sure.

7 Q. What does that term mean to you?

8 A. That's when you borrow money on one
9 of Bernie's investments.

10 Q. Can you explain a little bit more to
11 me what that means.

12 A. Sure. You borrow money at a five
13 percent and you'd make 10 percent. You'd make a
14 vig, as my father would say, on the Bernie's
15 investment.

16 Q. You'd make a vague?

17 A. Vig, vig, vigorous.

18 Q. Oh, vig as is v-i --

19 A. Oh, don't even ask. Sorry.

20 Q. What does that mean?

21 A. You make a profit, you know, a fee.

22 Q. Is it your understanding the profit
23 was the difference between Bernie's returns and the
24 interest rate on the loans?

25 A. Correct.

1 Q. Is it your understanding that --
2 would you call it a double-up strategy or how would
3 you characterize it?

4 A. Yeah, double-up I think was probably
5 most.

6 Q. And with the double-ups did Sterling
7 use the Madoff accounts as collateral for the loans?

8 A. I believe so.

9 Q. In general, do you have an
10 understanding as to how Sterling would make
11 withdrawals from any particular Madoff accounts that
12 were double-ups?

13 A. I think so.

14 Q. Okay. Can you tell me what your
15 understanding is?

16 A. Like whenever there was enough money
17 to cover the loan, they'd sweep it. That means to
18 take that money out. Sometimes not as much as
19 others; sometimes they'd leave it in.

20 Q. When you say there was enough money
21 to cover the loan --

22 A. Um-hum.

23 Q. -- what do you mean by that?

24 A. For the double-up. There was enough
25 money there for the bank.