

# Madoff's man talking

## Hub point person cooperates with Bay State probe

By JERRY KRONENBERG

Alleged Wall Street swindler Bernard Madoff's Boston point man is cooperating with Massachusetts regulators and plans to meet with state officials next week, the Herald has learned.

Robert Jaffe, son-in-law of Hub philanthropists turned scam victims Carl and Ruth Shapiro, is complying with subpoenas issued last month by Secretary of State William Galvin, sources say.

Galvin, whose office regulates securities sales in Massachusetts, subpoenaed Jaffe's employer — Madoff's Cohmad Securities subsidiary — as part of a probe into the alleged \$50 billion Ponzi scheme.

Jaffe, a Cohmad vice president, reportedly served as Madoff's chief salesman to Boston's Jewish community.

Prosecutors say Madoff particularly targeted wealthy U.S. Jews and their foundations. Alleged victims include the Shapiros, former Stop & Shop owners Avram and Carol Goldberg and director Steven Spielberg's foundation.

Jaffe spokesman Elliot Sloane declined to discuss his client's dealings with regulators, but said the 64-year-old didn't deliberately participate in any scam. "Bob had no knowledge of what was going on and, like many other people, was a (Madoff) victim," he said.

Sloane admitted Jaffe worked as a Cohmad stockbroker but said the man "was not involved in any (of Madoff's) investment decisions."

Meanwhile, the Madoff

scheme has apparently claimed another local victim: A hedge fund run by Massachusetts Institute of Technology business professor Gabriel Bitran and his son.

Sources told Reuters that the Boston-based GMB Low Volatility Fund is dissolving after losing half of its \$100 million in assets, partly by investing with Madoff.

Reuters said the fund placed 17 percent of its assets with MassMutual's Tremont Group, which in turn gave the money to Madoff — apparently with the Bitrans' knowledge.

Also yesterday, Boston-based whistleblower Harry Markopolos vowed to tell all that he knows to Congress.

Markopolos, former chief investment officer of Hub-based Rampart Investment Management Co., had suspected Madoff for years and tried to warn regulators — but found his tips ignored.

The man was supposed to testify before a congressional committee last Monday, but missed the appearance due to illness. Yesterday, Markopolos issued a statement saying he's ready to testify at a rescheduled hearing.

Madoff remains free in Manhattan on \$10 million bail. However, a judge plans to rule Monday on prosecutors' motion to jail the 70-year-old until his trial.

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**COMING FORWARD: Robert Jaffe will honor subpoenas issued by Secretary of State William Galvin.**