

Madoff associate Jaffe skips 2nd Mass. hearing

BOSTON (AP) — A Superior Court judge is considering whether to force an associate of alleged Ponzi scheme mastermind Bernard Madoff to provide testimony after he failed to appear at a hearing with Massachusetts securities regulators.

Lawyers for Robert Jaffe, who helped raise money for Madoff in Massachusetts and Florida, challenged the subpoena from Secretary of State William Galvin. Galvin's attorneys argued he has the authority to require Jaffe to testify.

Also Wednesday, lawyers for Galvin revealed that a second Madoff associate, Marcia Cohn, chief compliance officer of Cohmad Securities Corp., failed to appear at a Tuesday hearing with regulators. Cohmad Securities Corp. is in the same building in New York as Madoff's firm.

Galvin's office had also issued a subpoena for Cohn.

Lawyers for Galvin said Jaffe, who keeps homes in Weston and Palm Beach, Fla., funneled Massachusetts residents to Madoff — clients who ended up losing millions of dollars when the alleged \$50 billion scheme collapsed.

"Mr. Jaffe introduced dozens if not scores of individuals to Mr. Madoff," said Galvin attorney Lawrence Kenney. "We believe that he received fees for those introductions."

Lawyers for Jaffe said he had no knowledge of Madoff's actions and was also a victim of the alleged scheme and lost millions of dollars.

They also challenged whether Galvin had the authority to subpoena Jaffe and whether he could compel that testimony when Jaffe was in Florida.