



**OCTOBER 2009.** “*What Bernard L Madoff did far transcends the loss of money. It involves the virtues people hold dearest: love, friendship, trust,*” declares one of the 8 000+ aggrieved former clients of **Bernie Madoff** on the court house steps in Manhattan on the day of Madoff’s sentencing.

Madoff, **Earl Jones** and others teach us a lesson in money management:

- Know who regulates those to whom you give your savings.
- Be sure that regulators and auditors regularly confirm that what you think you own really exists.
- Be sure that they also confirm that you really own it.
- Don’t invest in complex instruments that you do not understand.
- Don’t invest in something just because a broker promises it is safe.
- Do ask questions if things look too good to be true.

Trust but verify, as **Ronald Reagan** was apt to point out at arms negotiations. Human behaviour changes when other people’s money is concerned. Examples of this behavioural change abound:

- the UK parliamentarians
- eHealth Ontario
- Ontario Lottery and Gaming Corporation
- a former Lieutenant-Governor of Québec

Sadly, history may be condemned to repeat itself. As one top money manager once noted,

*“A lot will be learned in a short time.  
Something will be learned in the medium term.  
Nothing will be learned in the long run.”*

Greed, of course, remains the major cause of investor amnesia. It was merely 90 years ago that **Charles Ponzi** was convicted of mail fraud and larceny. Don’t be surprised to see people again flock to Madoff in 2159 for his superior investment returns.

With its list of 156 possible wrongful acts of investment advisors, **MacGold Direct Inc** offers investors help in recovering investment losses. Pending the outcome of *Jerry N Jones et al v Harris Associates LP* now before the US Supreme Court, US investors may get to recoup also investment fees charged by their advisors. As US judgments can be quite persuasive in Canadian courts, Canadian investors may soon get to, too.

### Mark Your Calendar!

Ontario Conference: 13 + 14 November 2009  
Sheridan College  
Oakville ON

CanMAPP AGM: 22 January 2010  
Hilton Vancouver Metrotown  
Burnaby BC

For details and registration, visit: [CanMAPP.ca](http://CanMAPP.ca)

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