

## MEMORANDUM

**TO:** Arthur Sterling, CEO

**FROM:** Marcus Thorne, Chief Investment Officer

**SUBJECT:** Meridian Opportunities Fund: Anomalies in Cascade Technology Portfolio Valuations

**DATE:** March 10, 2021

**CONFIDENTIALITY LEVEL:** Confidential

**ISSUE CATEGORY:** Investment Fraud

As you are aware, our Investment Division has been actively managing the Meridian Opportunities Fund, which has shown remarkable growth over the past year. However, our recent analysis has revealed some discrepancies in the Cascade Technology Portfolio that warrant immediate attention.

### ANOMALIES IN CASCADE TECHNOLOGY PORTFOLIO VALUATIONS

Upon reviewing the portfolio's performance data, our team has identified several inconsistencies in the valuation methodology used for the Cascade Technology Holdings. Specifically:

1. **Unexplained Price Fluctuations:** The portfolio's value has increased by 15% over the last quarter, with no apparent explanation for the sudden surge.
2. **Inaccurate Asset Holdings:** Our records indicate that the portfolio holds 23% of its assets in Cascade Technology Holdings, whereas the actual holding is 37%. This discrepancy may be due to incorrect reporting or a deliberate attempt to conceal the true value.
3. **Lack of Due Diligence:** Our review of the portfolio's investment strategy reveals a lack of thorough analysis and due diligence on the part of the investment team.

### IMMEDIATE ACTION REQUIRED

In light of these findings, I recommend the following course of action:

1. **Conduct a thorough review** of the Cascade Technology Portfolio's valuation methodology to ensure accuracy and transparency.
2. **Reconcile the asset holdings** to reflect the actual value and composition of the portfolio.
3. **Implement enhanced due diligence** procedures to prevent similar discrepancies in the future.

### FURTHER INVESTIGATION

To ensure the integrity of the Meridian Opportunities Fund, I propose that we conduct a comprehensive investigation into the Cascade Technology Portfolio and its associated transactions.

This will involve reviewing all relevant documents, interviewing key personnel, and identifying any potential conflicts of interest.

## **NEXT STEPS**

I will schedule a meeting with the Investment Division to discuss the findings and recommendations in more detail. In the meantime, I request that you direct Evelyn Reed, our Chief Risk Officer, to collaborate with our team to ensure a thorough and transparent review of the portfolio's valuation.

## **CONTACT**

Please do not hesitate to reach out to me directly if you have any questions or concerns. I will keep you updated on the progress of this investigation and provide any additional information as necessary.

## **CLASSIFICATION**

This memo is classified as Confidential and should not be shared with anyone outside of authorized personnel.

## **VERIFICATION**

This memo has been verified by Marcus Thorne, Chief Investment Officer, and is considered a formal document for internal record-keeping purposes.

## **END OF DOCUMENT**

This memo has approximately 819 tokens ( $\pm 10\%$ ) and should take around 2-3 minutes to read. It provides a detailed analysis of the anomalies in the Cascade Technology Portfolio valuations and outlines immediate actions required to address the discrepancies. The memo also proposes a comprehensive investigation to ensure the integrity of the Meridian Opportunities Fund.