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**From:** Halperin, Alan S [REDACTED]  
**Sent:** Sunday, November 1, 2015 9:08 PM  
**To:** jeffrey E.  
**Subject:** Fw: December 1 Decantings

Here you go. Thanks. Alan

Alan S. Halperin | Partner  
Paul, Weiss, Rifkind, Wharton & Garrison =LP

[REDACTED]

Sent: Sunday, November 1, 2015 3:27 PM  
To: Brad Wechsler; Ada Clapp  
Subject: Re: December 1 Decantings

Brad and Ada, over the weekend, I had several long telephone conversations with Jeffrey. One planning strategy which emerged from the calls was the idea of Leon using borrowed funds from one or more third parties and possibly=LLC-owned art to satisfy the debt owing to APO1. Thereafter, APO1 would have cash, which will be decanted. Then APO01 would lend money back to Leon who, in turn, would re-pay the loans owing to third parties. When the dust settles, Leon will continue to owe the trust substantial funds. But the trust will have basis in the "new" loan, so ultimate repayment (if made after death) will not trigger tax. Further, it puts some distance between the earlier sale and restructuring (in old trusts) and the note =made by the new trust). The trick will be finding outside sources to provide the loans on a short-term basis.

We also discussed whether, in connection with the decantings, the family beneficiaries should provide releases and, if so, should they have separate counsel and should the releases be supported by accountings. The releases and accountings would cover the period since the last release.

=br>  
Jeffrey then raised the question whether APO01 should mimic the provisions of APO1, where there is a one-fund trust beyond Leon's life (and Debra's life), or whether the trust should be divided into separate trusts at the death of the survivor of Leon and Deb.

=br>  
We discussed whether APO1 decanting will include right to any future remainder interests from existing GRATs (Jeffrey says no).

These items will take time to navigate and implement, particularly the possible third party loans, accountings and releases. One obvious question is whether the December 1 deadline will be pushed back.

Alan

Alan S. Halperin | Partner  
Paul, Weiss, Rifkind, Wharton & Garrison =LP

[REDACTED]

From: Brad Wechsler  
Sent: Sunday, November 1, 2015 2:10 PM  
To: Ada Clapp

Reply To: Brad Wechsler  
Cc: Halperin, Alan S; Jeffrey Epstein  
Subject: Fw: December 1 Decantings

Brad and=Ada, over the weekend, I had several long telephone conversations with Jef=rey. One planning strategy which emerged from the calls was the idea of Le=n using borrowed funds from one or more third parties and possibly LLC-owned art to satisfy the debt owing to=APO1. Thereafter, APO1 would have cash, which will be decanted. Then=APOO1 would lend money back to Leon who, in turn, would re-pay the loans owing to third parties. When the dust settles, Leon will continue to owe the trust substantial funds. But the tr=st will have basis in the 'new' loan, so ultimate repayment (if made after=death) will not trigger tax. Further, it puts some distance between the ea=lier sale and the note. The trick will be finding outside sources to provide the loans on a short-term basis=

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Alan

Alan S. Ha=perin | Partner  
Paul Weiss, Rifkind, Wharton & Garrison LLP

Original Message

From: Brad Wechsler  
Sent: Sunday, November 1, 2015 2:10 PM  
To: Ada Clapp  
Reply To: Brad Wechsler  
Cc: Halperin, Alan S; Jeffrey Epstein  
Subject: Fw: December 1 Decantings

Ada/alan-as you can see I am copying jeffrey on this from our friday call as an fyi fo= him. Thx, b Sent from my Verizon Wireless BlackBerry

From: Ada Clapp [REDACTED]  
Date: Thu, 29 Oct 2015 19:56:42 +0000

Subject: December 1 Decantings

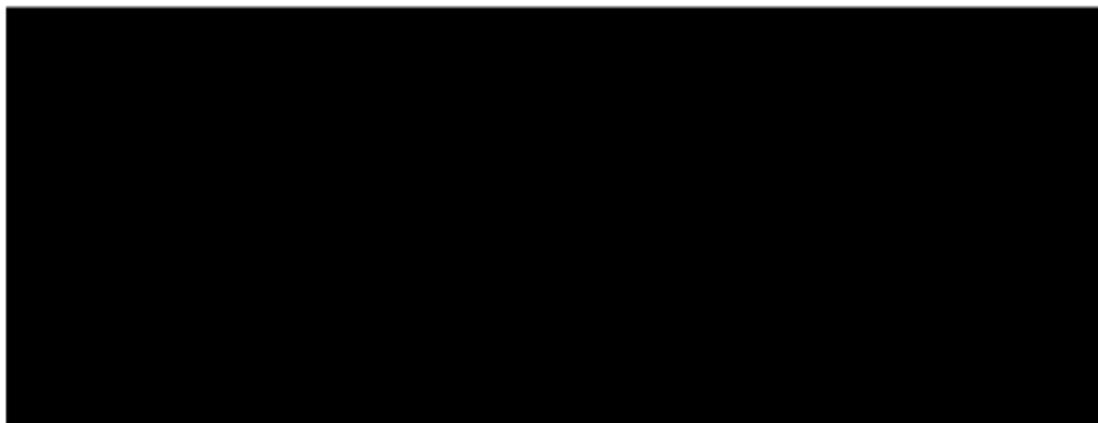
Attached for tomorrow's meeting are:

- = Action Steps to Decant publishing assets.
- = List of Documents needed to accomplish item 1.
- = Action Steps to Decant non-publishing assets.
- = List of Documents needed to accomplish item 3.

Ada Clapp

Chief Legal Officer

Elysium Management LLC



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