

To: jeffrey epstein (jeevacation@gmail.com)[jeffrey epstein (jeevacation@gmail.com)];
jeevacation@gmail.com[jeevacation@gmail.com]
From: Jeffrey M Matusow
Sent: Mon 9/27/2010 6:03:58 PM
Subject: S+P 500

Jeffrey,

You are long the S+P via a structured note maturing in Jan-12. The index is up 5% since we bought the note. The market has rallied ~10% in Sept.

I think we should sell covered calls against the position. The Nov-11 1170 calls bring in 2% of premium (13.5% annualized). If we get called away it is 4% of additional return (26.9% annualized). If we end up above the strike we can roll the options forward and take in more premium.

Jeff

Jeffrey M. Matusow

JPMorgan Private Bank | 40 West 57th Street, 33rd Floor, New York, NY 10019

Work [REDACTED]

IRS Circular 230 Disclosure:

JPMorgan Chase & Co. and its affiliates do not provide tax advice. Accordingly, any discussion of U.S. tax matters contained herein (including any attachments) is not intended or written to be used, and cannot be used, in connection with the promotion, marketing or recommendation by anyone unaffiliated with JPMorgan Chase & Co. of any of the matters addressed herein or for the purpose of avoiding U.S. tax-related penalties.