

**To:** Jeff Fuller [redacted] jeanluc [redacted]  
**Cc:** Jeffrey Epstein[jeevacation@gmail.com]  
**From:** Rich Kahn  
**Sent:** Wed 1/13/2010 10:08:37 PM  
**Subject:** RE: Line Payoff Proposal and supporting documents requested

I have read all of your attachments. Unfortunately I do not think that the credit line should be the lowest priority coming after the form 1042 that you have never been current on and a pending irs agreement. It has been almost 2 years now that I have been hearing about changes that will occur and every year the company continues to lose money resulting in the credit line not being repaid. You and Jean Luc need to start running your business in a Proactive manner and not a reactive approach . Please let me know if I can be of any assistance.

Thank you.

Rich Kahn

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New York, NY 10150



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**From:** Jeff Fuller [mailto:jeff@mc2mm.com]  
**Sent:** Wednesday, January 13, 2010 5:02 PM  
**To:** Rich Kahn; [redacted]  
**Cc:** 'Jeffrey Epstein'  
**Subject:** FW: Line Payoff Proposal and supporting documents requested

Rich did you see this from late September and early October. I am thinking that you have not now. We have made substantial reductions in our operating costs. Please review the word document. We are already for January close to the 600k mark consolidated and the month is not over. I realize I am optimistic but I think conservatively we will be in the 6 – 7 million range

consolidated for the year and you can see the projections in the attached word document about annual repayment of the line based on company performance. As I have said my only caveat is the settlement of what the monthly payment to the IRS will be and steps to broker that deal are in motion we are just auditing our past documents for each year.

Additionally, while we want to start repaying the line aggressively now we need to close out 2009 1042 payments for each office and begin to realize the cash flow increase from the finalization of our cuts in 2009. I actually feel much more optimistic than I have in the past in every capacity while still recognizing that the situation is fragile. The cash based reality is that we more than likely will not start to aggressively see repayments to the line based on 2010 performance until the end of the 1<sup>st</sup> quarter; however, we are making efforts at this time to replenish the 30k that we unfortunately needed to access in November due to the downtrends at the beginning of 2009.

Please note Jean Luc no longer has the house in Miami and I am no longer renting an apartment in NY both of which are substantial savings. There have been plenty of staff cuts and the move of the office in NY which was delayed. In retrospect I realize you may not have received this for some reason because in my email threads I do not see a response.

See below and all attached from late Sept early Oct...

Jeff

Rich,

First off, my apologies for the delay in responding to your request. After the laborious task of relocating to Florida and beginning to settle in personally and professionally I immediately have had to come back to New York to solve a staffing problem. Obviously, our challenges

are important to me personally as well as professionally so I also wanted to have the time to digest everything and have an intimate knowledge of our goals for 2010 and make sure it was achievable.

Attached please find a word document with my proposal letter for payoff on the line of credit with some approximations regarding our billing and our ability to pay at each different projected level of income.

I think this covers all your requests including the attached document that is a collection notice for a company that is not ours. My detailed statements are in the word document. Please call me with any questions once you have reviewed everything. I am still in NY finalizing a new hire to replace someone. You can reach me at 646-638-3330 all this week and as of next week in the Miami office at 305-672-8300. The biggest variance in the entire proposal will be the final settlement and payment plan with the IRS that is being put together currently.

Sincerely,

Jeff Fuller

MC2 Model Management

