
From: jeffrey E. <jeevacation@gmail.com>
Sent: Sunday, September 18, 2016 8:54 PM
To: Jeffrey Epstein
Subject: Fwd: leon DO NOT SEND, hand deliver.

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From: jeffrey E. <jeevacation@gmail.com> <mailto:jeevacation@gmail.com>
Date: Tue, Sep 13, 2016 at 10:51 AM
Subject: Fwd: leon DO NOT SEND, hand deliver.
To: Jeffrey Epstein <jeevacation@gmail.com> <mailto:jeevacation@gmail.com>

Transaction complete !

. this - in spite of your collection of Elysium misfits. !!!

With Brad out of the office and unable to run his usual interference, the level of his utter incompetence was brought front and center, he may be a step up from Eileen, but if he is, then it is not certainly not by much. Though you and I have spent many many hours discussing the importance of details and mechanics. I was not shown one document re phaidon, - not one.. Brad wanted to keep it private between he and his so called "advisors" however as he was out of the office during the most important transaction of the year, I did get to spend time with Joslin Joe and John, - the situation in your office is wholly ludicrous - to summarize - the list I provided to Brad last December - things I thought were a priority to get done after consulting with your office still remains virtually undone.

IT, still desperately needed reporting flawed cumbersome and inaccurate. all done by hand as one-off exercises, - airplane: re structure, (my only suggested priority in June) is really, no further ahead, consultants up there kazoo but nothing at all done. (the office was told that I cannot even see the proposals received without Brad's specific authorization) - Brad has no idea even as to what questions to ask. he knows little of finance, is run roughshod over by almost everyone in the office. he is a little man, using your power, to appear larger. Eileen was self-aware enough to know she was over her head, that is a huge difference. Bad info is rampant i.e. 3 million in deductions I'm told are taken for art space but on closer examination it turns out they cannot be used at all. (ZERO benefit) though you will be told yes they were deducted on the return they said that is the question they get asked! "were they deducted" not "is there a benefit"!! I asked for the balance sheet and P and L for Regan Arts, a basic first step in order to check your financials. "sorry we never got one?" though 9.8 million invested, no P&L, nothing is a construction project run amok, no budget, the coo fired after only 3 months, no clue. I can add that artspace financials are also a total mess.

As your friend and in order to turn the page. I will try to be constructive

The following is a list of things I think would be in our interest to get done asap but definitely not by me.
=C2

I suggest you form new trusts, hire a high level tax partner. use your trading accounts as they remain the paramount requirement 16 months after I emailed to you their importance. I suggest you consider having the 49 percent of phaidon merged into artspace and have Richard buy artspace. re-do bank loans. no need to pay interest at higher rate on boat or plane. as Richard is now no longer trustee. re= will, make suydam executor, with Barry, and John as back up. pay 1 million a year for executive role. get rid of Judy Black trust, deal with gift and their tax returns, review amounts to kids at fixed ages. put more protections in for Alex and Victoria. = distribute some money to kids let them make decisions. = decide art division with children in attendance. have fire drill done on estate. fill out estate returns as if you and Debra died today, choose advisers - Rick Bronstein said there only 1040 he ever

filled out was his own. (this is brads chosen advisor?!) Halperin has a conflict that should be addressed.,
Debra should enter a tenants in common agreement with kids. you have airplane consultants tax
consultants it consult=nts. plane operation consultant. . boat consultants. architect=, lighting , art, legal, . foundation ,
deal with =span style="background:yellow none repeat scroll 0% 0%">TRA=/span> , BRH , rationalize investments.
cash=flow. reporting, gaming disclosures. foreign, gift. . prepare tax projecti=ns for 15 and 16, . deal with neg basis (
tufts gain, debt financed. art p=rtnership, pledges. sell stock , art, deal with phaidon de=t. =thene,? income , capital ,
foreign , exit, corporate, =nsurance regs, out and inbound issues, basis, appr=prate discount rates. ? terminations.
control. , qualified dividend=. corporate tolls, inversion rules. , grat issues,=C2 short swing and other sec disclosures,
Rothschild bank, =A0 150 b they have a distribution network with no products , private=bank Rockefeller Rothschild.
financial service. deal with UK visa is=ue sooner rather than later. we can talk about Rowen request re Athe=e , 2 billion
in taxes on transaction. ?!

=div> the facts as i see them

in June and then again =ept, we both agreed to a 50% of phaidon payout., then =A0 after weeks of thinking about the
issue (which I fully understand=) . the payout was unilaterally changed . 5m would be reserve= for the future ? . and out
of the remaining 15m ,? i would receive =nly 5. (note : I'm confident that both the debt , and the=artspace<=span>
investment will also lead to a write off of another 30=C2 m. plus) In my dining room ,you were surprised when I s=id
that i require most people to pay their advisory fee up fro=t so that I am assured that I will be properly compensated
for=my work when strategies that I devise are implemented . you may reca=l that you appeared offended and said "
are =ou suggesting that i would go back on my word " I said no , of =ourse not ! you are my closest of friends ,but my
experience is that=C2 when amounts get large, people tend to get unhappy when it actually =omes time for them to
pay ,.

From day zero a 50 - 60 millio= price was attached as the fair price of the transaction just comple=ed . though this
amount was already substantially=C2 less than our agreed and negotiated formula. - I was nev=r told that this was
out of range. in fact, =lternative methods of payment . plane -in-kind etc, were discussed=C2 (ie keeping the 30m
portion of fee outstanding till Mar=h) ,I provided as requested a detailed step by step ex=ecution plan and reviewed
all documents that i was given access to. (=Phaidon was not forthcoming) in order to make my many =orrections . I
was then told that Alans involvement=C2 warranted a discount . Even in the best of light ,=though it is beyond
question that not one-,not -one time in t=ree years has he ever proposed a unique idea. (including =he new tenant
in common idea,) and lets say he made a co=tribution to the plan and even that it was 50 % . though no one could =osit
such a large amount unless they were wearing a brightly colored=clown suit. , the price of doing the deal was known .
It=had both sent in writing and spoken about on the phone numerou= times , a detailed execution plan was provided
 . then =nd only then after all was laid out for the group I was told that af=er a number of conversations with brad karp
that only 20m =ould be paid , (and even that was more than originally contemplated) for =oth transactions . I feel It
was remarkably unfair. =A0 Did brad even know of our prior agreement.? I called =im and he said he was never told.?,
I would ask that you I and Brad karp sit together if you think it would be helpful. . I would like to s=nd him this email,
with your consent of course. If the transa=tions were never consummated , i would not be owed a dime, however
 ,=the price was known up front. , the detailed step by step plan was f=llowed and overseen by me, the price that had
been requested before the tr=nsaction was begun, and had lready heavily discounted, out of friend=hip, from our
agreement . I believe the decision re paying only 20 m=C2 has frankly left me felling quite uneasy. =br>

since you asked since last nov. =A0 i found 11 million dollars in dormant accounts. 4 million dollars in eileens drawer.
 . went through cash flows for phaidon shwoing that john murph= is not an accountant. redid your gagosian contract , .
=A0 organized structure in case of divorce. set up gift trust. stopped ada from including multiple times things not in your
interest. dealt wit= bad sales tax use tax income tax . created 8 millino in deductions=C2 ,500k in mistakes , found
bank of scotland fbar problems, . . reorg bad art purchases , funds taken, , charibale decustions , helped with fincnac=
sttment gamoing commons fling. . boat deductions, rescued stock from grats. . may 1 after months of brad not finding
anyone i =ent an email saying you would have to pay more. . on april 15. I sent =n email detailing payments owed if i
could figure out the basis issue, =C2 please see attached, .

questions you might ask your team=C2 ask them to provide a balance sheet or p&l for REgan=arts. . doesnt exist

ask . either wechsler or haperin to tell you what brh is, or how the tra=20 works. . . ? as bronstein to tell you why the proposed phaidon=20 transaction DOES not work. . as them to give you a plan for the=plane. ? ask them to show you the cash mgmt for over 100 million doll=rs. . ask them to show you the IT system progress after one year. . the=20 approval process for payables. . the cash flow projections? assumptions? ask for a comparative review of investments. ask h=perin to describe to you in any detail BRH , the major asset of his two biggest clients. tax basis, disposiotion in the estate. . etc. ask br=d to show you the liquidation of the inteveing art space cos? .

Last year you asked , for my help I told you = preferred not as we would be better off having no financial intereactions= the risk was not worth it. You told me that=as my friend i had to do it I agreed., here we are=in what I find to be an awkward situation. the transacti=ns that i decvised were used , our agreement was ignored. and im not=sure how to respond.

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