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**From:** jeffrey E. <jeevacation@gmail.com>  
**Sent:** Sunday, January 3, 2016 1:48 PM  
**To:** Jeffrey Epstein  
**Subject:** Fwd: leon DO NOT SEND, hand deliver.

Transaction complete !

=C2 When we had our meeting in your home in Bedford. You asked for my help. I told you multiple times that i tought it a bad idea, i preferred to have no financial interaction.=C2 I dont have many friends and didnt want mo=ey to interefer with ours. For five years y=u had only Eileen Alexandersson managing your accounting , le=al, investments. reporting, trusts etc. When I told you in no =ncertain terms that i thought she was incompetent you admonished me =or " speaking out of both sides of my mouth " . With=regard Brad, there i no " both sides. ". I have maintained=since day one that he was unsuited for the job. When you asked me to=help convince him to take the role , promising him a postion =o manage investments I sent you a note saying pay up and get first c=ass people. I have reietrated the same message for ov=r a year now. . Brad , not me was tasked with hiring new people =A0 and you wanted him to take ownership of the staff, in may you to=d him in my presence that he had had six months and had not hired anyone.=C2 I have rectified errors in sales tax, use tax, income ta=, fbar reporting, 1031 reporting, 8 million of deductions. , 1= million found in dormant accounts and 4 million in the drawer. erro=s in cash flow both personal and Phaidon. Oversight on new grats =A0 first at 22 and then at 19 that were done without my consulatation was =esolved. 600 million in after tax savings was just accomplished.

With Brad out of the office and u=able to run his usual interference , the level of his utter =A0 incompetence was brought clearly , front and center. He may=be a step up from Eileen, but if he is , then it is certai=ly not by much, A magjor difference is Eileen kne= she was over her head.

=A0 Though=/

THE IT, is still desperate=y needed- reporting flawed cumbersome and inaccurate . all done by h=nd as one -off exercises , - airplane: re structure, (my o=ly suggested priority in june ) is really ,no further ahe=d, ,consultants up the kazoo but nothing at all done.( the office was told=C2 by Brad not to share the outsie proposals with me =C2 - brad has no idea even as to what questions to ask. he knows little=of finance, is bullshitted over by almost everyone in the office. he=is a little man , using your power, to appear larger . Eileen was self awa=e enough to know she was over her head , that is a huge difference. =C2 bad info is rampant a simple emblematic example- =3 million in deductions Im told wer ta=en for art space but on closer examination it turns out they c=nnot be used at all. ( ZERO benefit ) though you will be told yes th=y were deducted on the return they said that is the question you wer= focused on ! " were they deducted " not -&quo=; is there a benefit " !! I asked for the balance =heet and P and L for Regan arts , a basic first

step in order to check your financials. "sorry we never got one?" =A0 though 9.8 million invested, no p&l, nothing!, a construction project run amok, no budget, the coo fired after only 3 months., no clue. fyi artspace  
=A0 As in your words probably your closest friend and in order to turn the page. I hope the following to be constructive

=C2 Here is a list of things I think would be in your interest to get done asap .but definitely not by me .  
=A0

i suggest you form new grats., hire a high level tax partner. use your trading accounts as they remain a paramount requirement 16 months after i emailed you re their importance. The Phaidon transaction papered and structured as contemplated DOES NOT WORK, its as simple as that. DOES NOT !! =A0 I suggest again that you re-do bank loans. no need to pay interest at higher rates on boat or plane. as Richard is now no longer trustee. re-do will, make suydam executor, with Barry, and John as back up.=C2 pay 1 million a year for executor role. get rid of Judy Black trust, deal with gifts 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 =A0 with children in attendance. have fire drill done on estate. file out estate returns as if you and Debra died today, choose advisers - rick bronstein said the only 1040 he ever filled out was his own. Halperin has a conflict that should be addressed., A strategy of the use of art should be implemented. you have tax consultants it=consultants. plane operation consultant. boat consultants. architects, lighting, art, legal., foundation, deal with TRA, BRH, rationalize investments. cash flow. reporting, gaming disclosures. foreign, gift. prepare tax projections for 15 and 16., deal with neg basis = tufts gain, debt financed. art partnership, pledges. sell stock, art, deal with phaidon debt. athene</=pan>?, income, capital, foreign, exit, corporate, insurance regs, out and inbound issues, basis, appropriate discount rates. ? terminations. control., qualified dividends. corporate tolls, inversion rules., grat issues, =A0 short swing and other sec disclosures, I still think you might consider a <=pan>Rothschild bank transaction they have 150 = and a distribution network with no products, private bank =A0 Rockefeller Rothschild. financial service. deal with UK visa issue soon=r rather than later. we can talk about Rowen request re Athene =, complex 2 billion in taxes on transaction. ?!

=/div>

the facts as i see them

in June and then =gain Sept, we both agreed to a 50% of phaidon =payout., then only after weeks, when you delayed any detailed =discussion of money wanting to give the issue a thoughtful resp=onse ( which I fully understand ). you unilaterally changed changed =ur agreement. 5m would be reserved for the future ? . and ou= of the remaining 15m, ? i would receive only a third. ( note = I'm confident that both the debt, and the artspace investment will also lead to a write off of another 30 =A0 m. plus ) In my dining room, you were surprised when I said=that i require most people to pay their advisory fee up front=C2 so that I am assured that I will be properly compensated for m= work when strategies are implemented. you may recall that you =A0 appeared offended and said " are you suggesting=that i would go back on my word " I said no, of course not ! y=u are my closest of friends, but my experience is that when amounts get large, people tend to get unhappy when it actually comes time for=them to pay

I included in this letter the =mail i sent to you on April 15, the day i was exam=ining your returns It laid out my understanding of the compensation f=r a transaction of the magnitude to the penny of the one just completed.=C2 though the number was great it was clear. When it appeared tha= the details could now be worked out I was the first to say, it is =oo much money, however.

From day zero I p=posed to discount to 50 - 60 million the fair price of =he transaction just completed. including Phaidon. though=C2 this amount was already substantially less than ou= agreed and negotiated formula. - I was never told that=this was out of range. in fact, alternative method= of payment. plane, or an -in-kind payment were discussed ( =span>ie including keeping the 30m portion of fee =outstanding till March ), I provided as you specifically requested =A0 a detailed step by step execution plan and reviewed all do=uments that i was given access to. ( Phaidon was not forthcom=ng ) in order to make my many corrections. =I was then told that Alans involvement warran=ed a discount. Even in the best of light, though it is=beyond question that not one time in the three years of his r=tainer has he ever proposed a unique idea. (including =A0 any wayt to deal with the use issue on debras=death, or even the most basic review of your largest asset by far, =he BRH agreement. ) O.K. - lets say he made a con=tribution to the plan

and stretch reality beyond the pale and say it was 50 %. though no one could posit such a large amount unless they were wearing a brightly colored clown suit. , the payment associated with the deal was known . It had both been written and spoken about on the phone numerous times , a detailed execution plan was provided . then and only then after all was laid out for the group I was told that after a number of conversations with brad karp that a total of only 20m would be paid , (and even that was more than originally contemplated ) for both transactions . Leon I feel it was remarkably unfair= I wondered whether brad even knew of our prior agreement=? I called him 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 send him this email, with your consent=of course. If the transactions were never consummated , i would not be owed a dime, however , the expected fee was known =A0 up front. , the detailed step by step plan was followed and overseen by=me, the amount that I had requested before the transaction was even begun, and had already been heavily discounted, out=of friendship, from our agreement . I believe the decision re only paying 20 m has frankly , left me feeling quite uneasy.

since you asked since last nov. i found 11 million dollars in dormant accounts. 4 million dollars in eileen's drawer. . went through cash flows for phaidon showing that john murphy is not an accountant. redid your gagosian contract , . organized structure in case of divorce. set up gift trust. stopped ada from including multiple times things not in your interest. dealt with bad sales tax use tax income tax . created 8 million in deductions ,500k in mistakes , found bank of scotland fbar problem=, . reorg bad art purchases , funds taken, , charitable deductions , helped with financial statements, gaming commission. . boat deductions, rescued stock from grats. . may 1 after months of brad not finding anyone i sent an email saying you would have to pay more. . on april 15.=C2 I sent an 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 arts. . doesn't exist

ask . either wechsler or haperin to tell you what brh is, or how the tra works. . . ? as bronstein to tell you why the proposed phaidon transaction DOES not work. . ask them to give you a plan =or the plane. ? ask them to show you the cash mgmt for over 100=million dollars. . ask them to show you the IT system progress after one year. separate from making it more secure though you are not a trader with inside info the approval process for payables. . the cash flow projections? assumptions? ask for a comparative review of investments. ask <=pan>haperin to describe to you in any detail BRH , the major asset of his two biggest clients. tax basis, disposition in the estate. . etc. ask brad to show you the liquidation of the intervening art space cos? that has been on the table for months. .

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----- Forwarded message -----

From: jeffrey E. <jeevacation@gmail.com <mailto:jeevacation@gmail.com> >

Date: Tue, Apr 14, 2015 at 5:53 PM

To: Melanie Spinella <[REDACTED]@[REDACTED].com>

saved you 500k at the last minute, . brad has had the same chart since march 16th, its his job to review NOT MINE .appears he is one of those living in the dark leiwe. I found 8 million dollars today, missed deductions. . not yet in the numbers, .? =A0

----- Forwarded message -----

From: jeffrey E. <jeevacation@pan@gmail.com>

Date: Wed, Apr 15, 2015 at 8:59 AM

Subject:

To: Melanie Spinella <[REDACTED]>

1 did the paul weiss

10m paid today to gratitude america, a 50c 3, will make last year complete. 20 million paid today ftc . 10 million  
<pan>july 15 5 million sept 30. , 5 million jan 1 for all of 16 .=C2 tax savings paid at 37 percent . of net. savings. 50  
million credit. net. =o 150 million free . 600 savings 225 million owed. - 50 credit, 175 owed.</=>

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=C2 please note

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