
From: jeffrey E. <jeevacation@gmail.com>
Sent: Wednesday, January 6, 2016 11:44 AM
To: Jeffrey Epstein
Subject: Fwd:

PLEASE REA=CAREFULLY ,

In the spirit in which it is sent.=C2 our friendship is intact and solid , though ,it has taken a hit.

Mark was here this mornin= , the proposed transactions are extremely complex . an= would take a great deal of my detailed time. I do not know ho=, and even, if ,to move forward - . After months of hearing that you would=have no problem paying a large fee if you could only ascertain value. =A0 The last transaction. a transaction which you saved over =A0 600 million in tax. declared bullet proof by your attnys, and =A0 even if you want to disocount for its future realization, =reating a savings of over 300 million real dollars. For some r=ason you chose to ignore our agreements , verbal written and e=ailed -and at the very last minute , after the deal was complete dec=ded that it was only worth 8 million dollars to you and your family. =. (assuming phaidon -richard happens. there is a 24 m s=vings not including artspace and debt write down benefits- ce=tain to come later .. IMPORTANT NOTE : the p=aidon transaction as currently contemplated will not work . WI=L NOT !!

When we had our me=ting in your home in Bedford. You asked me for my help. I told you multiple times that i thought it was a very bad idea, in that I greatly preferred to have no financial=C2 interactions. I don't have many friends=and didn't want money in any way to interfere with our unique relationship. Reminder , = For five years you had the kind, but very goofy Eileen =lexandersson as the sole manager of your massive accounting , legal, investments. repor=ing, trusts etc. When I first told you in no uncertain terms that I=firmlly believed she was incompetent you admonished me for " speaking out of=20 both sides of my mouth " . With regard Brad Wechsler=/span> , there has never been a " both sides ". I h=ve consistantly maintained since day one that he was highly unsuited for the job. Wh=n you initially asked me to help convince him to take the role , promising him a position to manage mirage investments =A0 I sent you a note saying that instead of hiring him you should pay up a=d get first class people. I have reiterated the same message for over a year now.. Brad , not me ,was tasked with hiring =ew people , according to his biz school org chart.(nauseating) and as=you wanted him to take ownership of the staff,he conducted many interviews alone. . you may recall=that as late as may, you told him in my presence that though six months h=d passed he had not hired anyone. since then I hav= rectified errors in sales tax, use tax, income tax, fbar reporting, 1031 rep=ting, 8 million of deductions missed errors of millions on th= returns. a cashflow that is misleading helped prepare financial sta=ements (april) Oversight on new grats-</=pan> first at 22 and then at 19 that were done without my consultati= and were "resolved " soley as a result of my last minute intervention. . 600 million in a=ter tax savings was just accomplished. (BTW- for some reason you left the=30 million outstanding that I had said should only be done" if" that was my=20 additional fee. and not used for non biz purposes and not art</=pan>.

Sorry but .,

in June and then again Sept, we =oth agreed to a 50% of phaidon payout first projected at 20 . but less when artspace and debt taken out, = then only after weeks, when you delayed any detailed discussion of money wanting to give the issue a thoughtful resp=use (which I fully understand) . you unilaterally changed our agreement. . 5m would be reserved for the future ? . and out of=the remaining 15m ,? i would receive only a third. (note : I'm=confident that both the debt , and the art space investment will also lead to a write- off of another 30 m. plu=) In my dining room

,you were surprised when I said that i require most=20 people to pay their advisory fee up front so that I am assured =hat I will be properly compensated for my work when strategies are implemented . you may recall that you appeared offended a=d said " are you suggesting that i would go back on my word " I said no = of course 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 comes time for them to pay.

I include b=low the email i sent to you on April 15, the day i was examining your returns =A0 It laid out my understanding of the compensation agreed for a transaction of the magnitud= to the penny of the one just completed.ie <http://completed.ie> 600m When it appeared that the transc=tion would and could go foward I was the first to point out that our agreement would cost you too much mone=, therefore

more details

Fro= day one I proposed to discount our agreement to a 50 - 60 mil=ion range. An extremely fair price for all the tr=nsactions just completed . including Phaidon. =A0 - I was never told that this was out of =20 range. in fact, alternative methods of payment . ie my p=ane, or an -in-kind payment were discussed (ie =20 including keeping the 30m portion of the fee outstanding till M=rch) ,I provided , only because you specifically requested a detailed =C2 step by step execution plan and reviewed all documents that i was given access to.=(Phaidon was never forthcoming) =A0 in order to make my many corrections . (as i said more needed on=phaidon) . I was then told that Alans<=span> involvement warranted a discount . Even in the best of l=ight , though it is beyond question that not one time in the three ye=rs of his retainer has he ever proposed a unique idea. (includin= any way to deal with the use issue on debras death ,or even the most basic review of your =argest asset by far , the BRH agreement.) O.K. - lets say he made a contribution to the pla= and stretch reality beyond the pale and say it was 50 %. though no =ne could posit such a large amount unless they were wearing a clow= suit. , the payment and our formula of 37 percent associated with=C2 the deal was known . It had both sent in writing and spoken about on the phone nume=ous times , a detailed execution plan was provided . then an= only then, after the entire transaction was laid out for the group to follow =A0 You told me that after a number of conversations with brad karp that a total of only 20m would be paid , (and even that was more tha= you originally contemplated) for both transactions . Leon I feel =A0 It was remarkably unfair. Did brad even knew of our prior agreements.? ?, I would ask that you I and Brad karp sit together if you think it would be helpful. . I would like to sen= him this email, with your consent of course. If the transactio=s were never consummated , i would not be owed a dime, however , the expect=d fee was known up front. , the detailed step by step plan was f=llowed and overseen by me, the amount that I had requested befo=e the transaction had even begun, had already been heavily discounted= out of friendship, . I believe the decision re only paying 20 m has frankly , left me felling quite une=sy. and colors the view about the Athene or Rothschild transaction.

email from apr=1 15

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

From: <= class="gmail_sendername">jeffrey E. <jeevacation@gmail.com <mailto:jeevacation@gmail.com> >

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

Subject:

To: Melanie <pan>Spinella

1 did the =aul weiss bill get paid ??? =C2 2. Talk to me before signing anything today important

1=m paid today to gratitude americawilll make last year complete. 20 million paid today ftc.=10 million july 15 5 million sept 30. , 5 million jan=/span> 1 for all of 16 . 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.=C2

600 million !!

fyi two months late= we were dealing on a daily basis with Guzel issues and the transact=on was put on the back burner.

Y=ur family office is what you are leaving to your children that will for th= first few years be their most important business asset .

With Brad out of the office and unable to run his usual interferenc= , the level of his total and utter incompetence was brought clearly , =A0 front and center. He may be a step up from Eileen, but, if he i= , then it is certainly not by much, A majorstupiditly whenever he gets a chance. The list of things that were done and not=20 done he refused to let be prepared as it will exemplify the outrageio=s lack of progress and prioirties

=A0 A critical example. - Though you and I hav= spent many many hours discussing the importance of attent=ve care and attention to details and mechanics. with regard Ph=idon I was not shown one single document , not o=e.!! Brad wanted to keep it private between he, and his so cal=ed "advisors " howeve= as he was out of the office during the most important transaction of the =ear, I did get to spend time with joslin Joe and john, - the situation in your office is total=y ludicrous - to summarize - the list I provided to Bra= last December - of things I thought were a priority to get done = still remains in the whole unresolved. Neither Alan nor Brad has reviewed t=e BRH agreemenn or the TRA , the two=largest financial assets of your portfolio ,

Alan as you estate attny should have sat you down , reivewed BRH in great detail=C2 , the Agreement amongst Principals (death is a termination of the partner) . the TRA ,and your will , etc. to my knowledge this =as not happened.

The IT, is virtually untouched and is still in desperate need of a=new system - reporting badly flawed , and both cumbersome and inacc=rate . all done by hand as one -off exercises , when either you or brad ask f=r it - airplane: re structure, (my only suggested priority in jun=) is really ,no further ahead then it was then , consultants up the kazoo but nothing at all done.(the office was recently told by Brad=20 not to share the outside proposals with me - brad =as no idea even as to what questions to ask. he knows little of finance, is bullshitted over by almost everyone in the office. . Eile=n was self aware enough to know she was over her head , that is a huge difference. bad info is rampant a simple emblematic examp=e- 3 million in deductions I'm told were taken for art space but on closer examination it turns out the= cannot be used at all. (ZERO benefit) though you will be told yes=20 they were deducted on the return they said that is the only real =A0 question you were focused on ! " were they deducted or not=C2 - correct question would have been "is there a benefit " !! =C2 I asked for the balance sheet and/or P and L for Regan arts , the basic first step in order to check your financials.= "sorry we never got one?" though 9.8 million invested, no p=amp;l, nothing!, a construction project run amok , no budget, the coo =ired after only 3 months. , no clue . fyi</pan> artspace financials are also a total mess. (no receivables ??). when i=asked for a list of what got done and did not, i received the email f=om Brad basicailly mind you own business. =so much was promised. !!!

As in your words im one of your closest friends. . I inc=ude the following in order to be constructive

=A0Here is a list of things I think would be in your interest=C2 to get done asap .but definitely not by me . As you have seen =n the past week, a list of things that were done and still not done =as refused to me, similarly a schedule d that i had asked for = times.

i suggest you , sit with either Al=n or a new person - form new grats. , hire a high level tax partner. use your trading accoun=s 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 , i=s as simple as that. DOES NOT !! I suggest again th=t 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, =ake suydam executor , with Barry, and john as back up. pay 1 million a year for e=ecutor 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.=C2 , 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, choos= advisers=/span> Halperin has a conflict that should be addressed ., A strategy of the use of =rt should be implemented. . you have tax consultants it consultan=s. plane operation consultant. . boat consultants. architects, lighting=C2 , art, legal, . foundation , deal with TRA=/span> , BRH , rationalize investments. cash flow. reporting, gaming disclosures.=20 foreign, gift. . prepare tax projections for 15 and 16, . deal with neg basis (tufts gain, debt financed. art partnership, pledges. se=l stock , art, deal with phaidon debt. =thene,? income , capital , foreign , exit, corporate, insurance regs, out and inbound issues, basis, appropriate discount rates. = terminations. control. , qualified dividends. corporate tolls, inversion rule=., grat issues, short swi=g and other sec disclosures, I still think you might consider a Rothshci=d bank transaction they have 150 b and a distribution net=ork with no products , private bank Rockefeller Rothschild. financial service.=20 deal with UK visa issue sooner rather than later. we can talk about=20 Rowen request re Athene , complex 2 billion in taxes on t=ansaction. ?!

=A0since you asked since last nov. =A0 i found 11 million dollars in dormant accounts. 4 million dollars in 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 =da from including multiple times things not in your interest. dealt wit= bad sales tax use tax income tax . created 8 millino in deductions ,500k in mistakes , found bank of scotland =bar problems, . reorg bad art purchases , funds taken, , charitable decisions , helped with <=pan>fincancial statements, gaming commission. . boat deductions= rescued stock from grats.. may 1 after months of =rad not finding anyone i sent an email saying you would have to pay more.. on april 15. I sent an email detailing payments owed if i could figure out the basis issue, =C2 ref the email above.

here are some questions you =ight ask your "team"
..? ask them to provide a b=lance sheet or p&l for Regan arts. =A0 .

ask . either wechsler or halperin=/span> to tell you if they have read the BRH agreement or the agreement am=ngst principals. , or how the tra works. ask Bronstein to tell you why the pr=posed phaidon transaction DOES not work. no chance as contemplated . as= them to give you a plan for 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. s=parate from making it more secure though you are not a trader with inside=20 info the approval process for payables. . the cash flow projectio=s? assumptions? ask for a comparative review of investments. ask h=w you get cash with no tax ? ask halperin=20 to describe to you in any detail the BRH co=sequences upon death, , the major asset of his two biggest clients. tax basis, disposition in the estate. . etc. ask bra= to show you the liquidation of the intervening art space cos? that has been on the table for months. read adas questions that are way=C2 overdue

<<https://ssl.gstatic.com/ui/v1/icons/mail/images/cleardot.gif>>

<div>

<https://ssl.gstatic.com/ui/v1/icons/mail/no_photo.png> should you choose to pay an additional amount. no compunction -be ass=red our friendship is firmly intact,if you dont - i sent an invoice f=r 35 m the last day of the year. so I can have it as 2015 income. and will w=rk with you as to how to pay it -what and when. I find this terribly awkwa=d.

<=r>

--

=C2 please note

The information contained in this communication is confidential, may be attorney-client privileged, may constitute inside information, and is intended only for the use of the addressee. It is the property of

JEE

Unauthorized use, disclosure or copying of this communication or any part thereof is strictly prohibited and may be unlawful. If you have received this communication in error, please notify us immediately by return e-mail or by e-mail to jeevacation@gmail.com , and destroy this communication and all copies thereof, including all attachments. copyright -all rights reserved

</=iv>