
From: Richard Kahn [REDACTED]
Sent: Wednesday, August 31, 2011 9:31 PM
To: Jeffrey Epstein
Subject: discussion topics

1) Loans Receivable

- a) Victor - still owes \$2,500 plus accrued interest at 2% - he made his last payment on 7/26/2011 - i have called and emailed 2-3x per week with no response from him -
- b) Barry Josephson - Still owes \$30,000 plus accrued interest at 2% - wants to make payments beginning after labor day and final payment =y Oct 1
- c) Adam Bly - owes approximately \$350,000 with accrued interest = he updated me this week and is trying to do a capital raise - the one individual he targeted to replace your loan fell through - he plans to begin making interest payments of 24% on original balance of 00,000 or \$6,000 per month in October
- d) MC2 - credit line balance is \$744,598 (2011 payments ytd have been \$40,000) - Am I still waiting til Oct 1st to press..
- e) [REDACTED] - \$900
- f) [REDACTED] - \$2,000

Let me know who and how hard to push above individuals. In addition should i be firm on interest from Victor and Jacobson?

2) Vendor Credits

- a) Boyson - \$43,194
- b) Flight Options - \$41,674
- c) AAG - \$72,253
- d) Sacco carpet - \$77,180 (original amount 120,832 less Isj order 43,652)
- e) Pinto \$0 - repaid earlier this month

3) Reminder on 301 Annual Apt Costs

- a) Jean Luc \$18,195
- b) [REDACTED] \$9,774
- c) [REDACTED] \$27,839

4) Liana Vernava wire instructions - When should i send wire and for what amount?

5) LSJ cement cow insurance claim - we received 100% reimbursement of our expenses - \$11,669

6) Changing ownership of entities to USVI

- a) LSJ LLC
- b) Palm Beach
- c) Zorro
- d) 71st Street

7) FTC

- a) Thoughts on new EDC entity
- b) FT Real Estate - Merrill brokerage account balance remains =79,680

8) Cars

a) 2006 Bentley has Florida plates - Is this something we need to readdress?

9) Plane Insurance renewal costs - Policy period 9/1/2011 - 8/31/2012

- a) JEGE - ground only \$15,500 - (insured value 7,500,000) - no increase from last year (\$550,000 deductible)
- b) Hyperion - full motion \$37,800 - (insured value 2,000,000) - no increase from last year (\$0 deductible)
- c) Bell - full motion \$54,760 - (insured value 1,800,000) - no increase from last year (\$0 deductible)
- d) S76 - ground only \$29,200 - (insured value 2,000,000) - no increase from last month (\$0 deductible)

Total Annual Premium \$137,260

10) NES LLC

a) Local Law 11 work - Darren is reviewing AIA documents from Herbert Rose for \$110,000 - Architect has approved building department and landmark approvals on scope of work.

We are hoping work will begin around 9/15 and should take approximately 10 weeks to complete

b) Siemens is completing installation of last panel this week and will finish operational issues next week

c) Source One is threatening legal action over \$10,000 outstanding invoice - Should I try to settle for lesser amount?

d) Control 4 / Savant - Is this something we should pursue? Scott??

11) Reminder on updating JEE days summary - LSJ, NY & outside US

12) Nick Lambros - waiting on Darren to write legal letter requesting back \$35,000

13) Life Insurance Physician request - should it be sent to Bernard Ruger or Woody Merrell?

14) Jewelry Insurance Policy

a) ring is currently insured for \$1,548,942 at a rate of .011 or an annual cost is \$17,038

we could reduce cost by 50% or \$8,519 by moving ring to a Bank vault box which would cost \$150 per annum.

b) are any items still missing - do we need to file a claim??

15) Marvin Minsky and Gloria were paid jointly 8,333.33 in August and next payment will be paid September 1 - Is there anything you need me to follow up with them on.

16) Thoughts on future accounting firm..

17) Feedback on LSJ and Zorro walk thru by Hyatt employee

a) Manolito / Wendy outrage with Karen and Brice

b) LSJ / IG - staff reductions - Brice just hired and individual at \$23.00 per hour without consulting with anyone to replace Richter

Emad and I believe this was unnecessary as Bosco operates the large well and we are trying to reduce staff..

c) I would like to review with you Brice / Karen schedule for future employees

18) 2010 Gift tax return - I wanted to review schedule with you before I forward to George

Tax return not due until 10/15/2011

We paid \$60,000 on 4/15/2011 as an estimate

For 2011 and 2012 we have the benefit of the new total gift tax exclusion being increased from \$1,000,000 to \$5,000,000 so no money will be owed but we will still have to file.

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