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**From:** Steven Sinofsky <[REDACTED]>  
**Sent:** Monday, June 10, 2013 4:33 PM  
**To:** Jeffrey Epstein  
**Subject:** Re: grant vesting

This is what I have for the payments based on 35.00 share.

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From: Jeffrey Epstein  
Sent: Monday, June 10, 2013 12:50 AM  
To: Steven Sinofsky

Good try re vesting schedule , you get an A for effort . I'll talk to you re hedging

On Monday, June 10, 2013, Steven Sinofsky wrote:

NOTE: The payment date is 15 days after the vest date, not at agreement -- it means I do need to hedge the whole thing because the earnings call for this quarter happens before Sept 15.

Can you tell me what to buy in order to hedge this? I think that will be important, certainly in the immediate term.

There is one grant that I only get 50% of -- does it vest over the same length of time as the original grant (that is 50% each vesting period through the original 8/31/16) or does it vest until 50% of the shares are vested (meaning it completes vesting in 2014). The original schedule:

Date	Shares	Grant #
8/31/2013	55,159	1299375
8/31/2014	55,159	1299375
8/31/2015	55,159	1299375
8/31/2016	55,159	1299375
	220,636	

This is the grant called out specifically as #0000001299375.

Otherwise the full amount is as follows assuming vesting at 50% for a long time (pretax at \$35).

Vest Date	Shares	Pretax	Grant #
8/31/2013	7,696	\$269,360	811105
8/31/2013	56,681	\$1,983,835	1087120
8/31/2013	47,368	\$1,657,880	1180497
8/31/2013	49,643	\$1,737,505	1299366

8/31/2013	27,580	\$965,283	1299375
8/31/2014	47,369	\$1,657,915	1180497
8/31/2014	49,643	\$1,737,505	1299366
8/31/2014	27,580	\$965,283	1299375
8/31/2015	49,644	\$1,737,540	1299366
8/31/2015	27,580	\$965,283	1299375
8/31/2016	27,580	\$965,283	1299375
	418,362	\$14,642,670	

First payment (9/15) is \$6.6 pretax at \$35 a share.

Even at \$30 the after tax number is \$8.2 (before you and Jay).

The original offer was \$5M cash and we got to about 9M cash, pretax.

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