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**From:** Richard Joslin <[REDACTED]>  
**Sent:** Tuesday, February 25, 2014 7:08 PM  
**To:** Ada Clapp  
**Cc:** Eileen Alexanderson; Jeffrey Epstein; Richard D'Agostino; [REDACTED]  
**Subject:** RE: Decanting the 1997 trust to APO2

Thanks for the quick response - We will get a new tax ID for this trust. There has not been consistent tax reporting in the past (some file 1041 and some not). I will move to have uniform reporting for the grantor trusts

-----Original Message-----

From: Ada Clapp  
Sent: Tuesday, February 25, 2014 1:53 PM  
To: Richard Joslin  
Cc: Eileen Alexanderson; Jeffrey Epstein; Richard D'Agostino; ahalperin@pau=weiss.com  
Subject: RE: Decanting the 1997 trust to APO2

Rich-I am indifferent as to whether you report the income of grantor trusts=using Leon's tax ID number or a separate EIN you get for the trusts. I think you just need to be consistent.

Ada Clapp  
Elysium Management LLC  
445 Park Avenue  
Suite 1401  
New York, New York 10022  
Direct Dial: [REDACTED]  
Fax: 646-589-0330  
Email: [REDACTED]

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-----Original Message-----

From: Richard Joslin  
Sent: Tuesday, February 25, 2014 1:44 PM  
To: Ada Clapp  
Cc: Eileen Alexanderson; Jeffrey Epstein; Richard D'Agostino; [REDACTED]  
Subject: RE: Decanting the 1997 trust to APO2

As I understand this decanting, the distributing trust and receiving trust =re both grantor trusts and have the same owner before and after. As such =he receiving trust is a continuation of the distributing trust, ie same ta= ID number for income tax purposes. While two assets may have negative=tax basis in 2014 (Blue Sunshine had negative tax basis a/o 12/31/2012 o= \$(300K); AP Energy Partners LLC had a negative tax basis a/o 12/31/2012 of=\$(10K) - we do not have K-1's FY 2013), the decanting should not trigger a=y gain on transfer.

On a related vein, I'd like to get Ada/Alan input on not using LDB SSN for =he grantor trusts and getting EIN's and reporting annually Form 1041 with =rust letter. I would like to have annual 1041 filing for the trusts vs =o reporting other than included on 1040 directly.

-----Original Message-----

From: Ada Clapp  
Sent: Tuesday, February 25, 2014 8:33 AM  
To: Richard Joslin; Richard D'Agostino  
Cc: Eileen Alexanderson; Jeffrey Epstein  
Subject: Decanting the 1997 trust to APO2

We are planning to send the Decanting Notice to the beneficiaries of the 19=7 trust today. Just checking to be sure there are no tax or other issues f=r our accounting team. If so, please let me know as soon as you can. Thank=.

Sent from my iPad

```
<?xml version=.0" encoding=TF-8"?>
<!DOCTYPE plist PUBLIC "-//Apple//DTD PLIST 1.0//EN" "http://www.apple.com/DTDs/PropertyList-1.0.dtd">
<plist version=.0">
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  <key>conversation-id</key>
  <integer>282920</integer>
  <key>date-last-viewed</key>
  <integer>0</integer>
  <key>date-received</key>
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  <integer>8590195717</integer>
  <key>gmail-label-ids</key>
  <array>
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    <integer>2</integer>
  </array>
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  <string>391905</string>
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</plist>
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