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**From:** Jeffrey Epstein <jeevacation@gmail.com>  
**Sent:** Wednesday, February 26, 2014 5:29 PM  
**To:** Ada Clapp  
**Cc:** Alan S Halperin; Christopher L Hurtado; Eileen Alexanderson; Richard Joslin  
**Subject:** Re: GRATs

let them decide . i do not want to=influence their outcome

On Wed, Feb 26, 2014 at 12:46 PM, Ada Clapp [REDACTED] <mailto:[REDACTED]> wrote:

I did ask Empire about doing the valuations that way and was told they did not do their valuations in this manner because it did not take into account a discount associated with the percentage involved. Should we insist?<=u>

Ada Clapp</=>

Elysium Management LLC

445 Park Avenue

Suite 1401

New York, New York 10022<=span>

Direct Dial: [REDACTED] <tel:[REDACTED]>

Fax: [REDACTED] <tel:[REDACTED]>

Email: [REDACTED] <mailto:[REDACTED]> </=>

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From: Alan S=Halperin [mailto: [REDACTED] <mailto: [REDACTED]> ]  
Sent: Wednesday, February 26, 2014 11:39 AM  
To: Ada Clapp  
Cc: Christopher L Hurtado; Eileen Alexanderson; jeevacation@gmail.com <mailto:je=vacation@gmail.com> ; Richard J=slin  
Subject: Re: GRATs

As to your=description of the required valuations, I agree. Please bear in mind=that this is a fluid process. Accordingly, if we wish to adopt another format -- such as a valuation of a 1% interest in BFP -- I am sure=that Empire would accommodate us. But I am okay with the format you =ave described. Alan

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< [REDACTED] >

Alan S. Halperin | Partner

Paul, Weiss, Rifkind, Wharton & Garrison LLP

1285 Avenue of the Americas | New York, NY 10019-6064

[REDACTED] <tel:[REDACTED]> (Direct Phone) | [REDACTED] <tel:[REDACTED]>  
[REDACTED] (Direct Fax)

< [REDACTED] >

From: &=uot;Ada Clapp" < [REDACTED] <mailto: [REDACTED]>>

To: A=an [REDACTED]

Cc: &=uot;Eileen Alexanderson" < [REDACTED] <mailto: [REDACTED]>,

"jeevacation@gmail.com&q=ot; <jeevacation@gmail.com <mailto:jeevacation@gmail.com> >, "Richard Joslin"

< [REDACTED] <mailto:RJosli=@elysllc.com> >

Date: 0=26/2014 10:18 AM

Subject: GRATs

Hi Alan and Chris,

As you know, Leon is due to receive his first annuity payment from the APO1 GRAT No. 2 (dated December 4, 2013) on March 3, 2014. Please prepare the assignment form. We will let you know the cash portion of the annuity after the dividend is paid=

At Rich J.'s request, we would like the APO1 GRAT No. 3 to be dated March 4, 2014 ( this will align the annuity payments for GRATs =o 2 and 3). Would you please prepare a new GRAT agreement and assignment form. I am assuming that Leon wishes to re-GRAT the B=P interests he received from the APO1 GRAT on January 24th and =he BFP interest he will receive from the GRAT No. 2 on March 3rdJeffrey-can you confirm that my understanding is correct?

Regarding valuations, Leon will require a full valuation report for his gift to GRAT No. 3. Since Empire does not prepare its valua=ions showing the value of a 1% interest in BFP but rather the value of the entire interest transferred, if Leon re-GRATs BFP interes=s received on both January 24th and March 3rd,=GRAT No. 2 will need a separate restricted use valuation report (RUV=) for its in-kind distribution of the annuity payment to Leon on March 3rd. Likewise, the APO1 G=AT will need a RUVR for the January 24th in-kind distribution. =o you agree?

Thanks in advance!

Ada Clapp  
Elysium Management LLC  
445 Park Avenue  
Suite 1401  
New York, New York 10022  
Direct Dial: [REDACTED] <tel:[REDACTED]>  
Fax: [REDACTED] <tel:[REDACTED]>  
Email: [REDACTED] <mailto:[REDACTED]>

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